



Reprinted
February 26, 2002

ENGROSSED SENATE BILL No. 333

DIGEST OF SB 333 (Updated February 25, 2002 3:19 PM - DI 92)

Citations Affected: IC 4-31; IC 4-33; IC 5-14; IC 6-8.1; IC 34-24; IC 35-45; IC 36-7; noncode.

Synopsis: Dockside gaming and pull tabs. Authorizes dockside gaming, pari-mutuel pull tabs, and a riverboat to be located in a historic preservation district in the towns of French Lick and West Baden. Provides for the ownership, licensure, and management of the French Lick/West Baden riverboat. Limits a racetrack or satellite facility to 750 pull tab terminals. Adds pull tab wagering and admissions taxes. Imposes a breed development fee on the permit holders selling pull tabs. Requires voter approval in each county in which pull tabs are authorized before pull tabs may be sold. Provides for the distribution of taxes collected at the French Lick/West Baden riverboat. Changes the structure of the riverboat admissions tax to permit a riverboat owner to collect the tax on a per patron per day basis or on the basis of a count
(Continued next page)

Effective: Upon passage; July 1, 2002.

**Server, Lanane, Meeks R, Rogers,
Mrvan, Lutz L, Landske, Paul,
Harrison, Alting, Meeks C,
Waterman, Wheeler, Hume**

(HOUSE SPONSORS — LYTTLE, FRIEND)

January 8, 2002, read first time and referred to Committee on Commerce and Consumer Affairs.

January 24, 2002, amended, reported favorably — Do Pass.

January 28, 2002, read second time, amended, ordered engrossed.

January 29, 2002, engrossed.

January 31, 2002, read third time, passed. Yeas 27, nays 23.

HOUSE ACTION

February 5, 2002, read first time and referred to Committee on Public Policy, Ethics and Veterans Affairs.

February 19, 2002, amended, reported — Do Pass; referred to Committee on Ways and Means pursuant to House Rule 127.

February 21, 2002, amended, reported — Do Pass.

February 25, 2002, read second time, amended, ordered engrossed.

ES 333—LS 7107/DI 92+



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of the patrons on board a riverboat at two hour intervals. Changes the riverboat wagering tax to a graduated tax. Allows barges under certain circumstances. Provides for revenue sharing of riverboat admissions taxes. Devotes \$7,000,000 of the riverboat wagering taxes collected from the Lake Michigan riverboats to the shoreline environmental trust fund. Limits the number of electronic gaming devices that a riverboat may contain. Provides that a person may own up to a 100% interest in not more than two riverboats. Legalizes the possession of certain antique slot machines. Phases out the riverboat admissions tax subsidy to the horse racing industry over three years providing for the distribution of the revenue to the School for the Blind, the School for the Deaf, and the state general fund instead. Requires licensed owners to reimburse state and local governments for the health care costs incurred by riverboat employees who receive health care under certain state and local programs. Establishes the minority an women business participation fund. Provides that a licensed owner may not seek treble damages in an action to collect a gambling debt. Provides that a person who is not an employee of a riverboat operation, is less than 21 years of age, and knowingly or intentionally enters or attempts to enter a riverboat, commits a Class A misdemeanor. Provides that the information submitted in an application for an occupation license is excepted from the public records law.

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Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

ENGROSSED SENATE BILL No. 333

A BILL FOR AN ACT to amend the Indiana Code concerning gaming.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 4-31-1-2 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2002]: Sec. 2. The ~~purpose~~ **purposes** of this
3 article ~~is~~ **are**:

- 4 (1) to permit pari-mutuel wagering on horse races in Indiana;
5 (2) to permit the sale of pari-mutuel pull tabs at racetracks
6 and satellite facilities in Indiana; and
7 (3) to ensure that the sale of pari-mutuel pull tabs and
8 pari-mutuel wagering on horse races in Indiana will be conducted
9 with the highest of standards and the greatest level of integrity.

10 SECTION 2. IC 4-31-2-1.5 IS ADDED TO THE INDIANA CODE
11 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
12 1, 2002]: Sec. 1.5. "Adjusted gross receipts" means:

- 13 (1) the total of all cash and property (including checks
14 received by a permit holder whether collected or not) received
15 by a permit holder from pari-mutuel pull tab sales; minus
16 (2) the total of:
17 (A) all cash paid out as winnings for pari-mutuel pull tabs

ES 333—LS 7107/DI 92+



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to patrons; and

(B) uncollectible pari-mutuel pull tab receivables, not to exceed the lesser of:

(i) a reasonable provision for uncollectible patron checks received from pari-mutuel pull tab sales; or

(ii) two percent (2%) of the total of all sums, including checks, whether collected or not, less the amount paid out as winnings for pari-mutuel pull tabs to patrons.

For purposes of this section, a counter or personal check that is invalid or unenforceable under this article is considered cash received by the permit holder from pari-mutuel pull tab sales.

SECTION 3. IC 4-31-2-11.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 11.5. "Pari-mutuel pull tab" means a game offered to the public in which a person who purchases a ticket or simulated ticket has the opportunity to share in a prize pool, multiple prize pools, or a shared prize pool consisting of the total amount wagered in the game minus deductions by the permit holder selling the pari-mutuel pull tab and other deductions either permitted or required by law.**

SECTION 4. IC 4-31-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 9. The commission may:**

(1) adopt rules under IC 4-22-2, including emergency rules under IC 4-22-2-37.1, to implement this article, including rules that prescribe:

(A) the forms of wagering that are permitted;

(B) the number of races;

(C) the procedures for wagering;

(D) the wagering information to be provided to the public;

(E) the hours during which a racetrack or satellite facility may sell pari-mutuel pull tabs under IC 4-31-7.5;

(F) fees for the issuance and renewal of:

(i) permits under IC 4-31-5;

(ii) satellite facility licenses under IC 4-31-5.5; and

(iii) licenses for racetrack personnel and racing participants under IC 4-31-6;

~~(F)~~ **(G) investigative fees;**

~~(G)~~ **(H) fines and penalties; and**

~~(H)~~ **(I) any other regulation that the commission determines is in the public interest in the conduct of recognized meetings and wagering on horse racing in Indiana;**

(2) appoint employees in the manner provided by IC 4-15-2 and



fix their compensation, subject to the approval of the budget agency under IC 4-12-1-13;

(3) enter into contracts necessary to implement this article; and

(4) receive and consider recommendations from an advisory development committee established under IC 4-31-11.

SECTION 5. IC 4-31-4-1.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1.3. (a) This section does not apply to a person who satisfies all of the following:

(1) The person was issued a satellite facility license before January 2, 1996.

(2) The person operated a satellite facility before January 2, 1996.

(3) The person is currently operating the satellite facility under the license.

(b) A person may not operate under a satellite facility license unless both of the following apply:

(1) The county fiscal body of the county in which the satellite facility will be operated has adopted an ordinance under section 2.5 of this chapter.

(2) The person secures a license under IC 4-31-5.5.

(c) Notwithstanding any other provision of this article, subsection (b)(1) does not apply to a permit holder who:

(1) was issued a permit before January 1, 2002; and

(2) files an application to operate a satellite facility in a county having a consolidated city.

SECTION 6. IC 4-31-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) A county fiscal body may adopt an ordinance permitting the filing of applications under IC 4-31-5 to conduct pari-mutuel wagering on horse races at racetracks in the county. However, before adopting the ordinance, the county fiscal body must:

(1) conduct a public hearing on the proposed ordinance; and

(2) publish notice of the public hearing in the manner prescribed by IC 5-3-1.

(b) The county fiscal body may:

(1) require in the ordinance adopted by the county fiscal body that before applications under IC 4-31-5 to conduct pari-mutuel wagering on horse races at racetracks in the county may be filed, the voters of the county must approve the conducting of horse racing meetings in the county under section 3 of this chapter; or

(2) amend an ordinance already adopted by the county fiscal body to require that before applications under IC 4-31-5 to conduct pari-mutuel wagering on horse races at racetracks in the county

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may be filed, the voters of the county must approve the conducting of horse racing meetings in the county under section 3 of this chapter.

An ordinance adopted under this section may not be amended to apply to a person who has already been issued a permit under IC 4-31-5 before amendment of the ordinance.

(c) An ordinance adopted under this section authorizing a person to conduct pari-mutuel wagering on horse races at racetracks in the county may not be amended with the intent to restrict a permit holder's ability to sell pari-mutuel pull tabs under IC 4-31-7.5. An ordinance adopted by the county fiscal body permitting the sale of pari-mutuel pull tabs is not a requirement for the lawful sale of pari-mutuel pull tabs under IC 4-31-7.5.

SECTION 7. IC 4-31-4-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2.5. (a) A county fiscal body may adopt an ordinance permitting the filing of applications under IC 4-31-5.5 for operation of a satellite facility in the county. However, before adopting the ordinance, the county fiscal body must:

- (1) conduct a public hearing on the proposed ordinance; and
- (2) publish notice of the public hearing in the manner prescribed by IC 5-3-1.

(b) The county fiscal body may:

- (1) require in the ordinance adopted by the county fiscal body that before applications under IC 4-31-5.5 to operate a satellite facility in the county may be filed, the voters of the county must approve the operation of a satellite facility in the county under section 3 of this chapter; or
- (2) amend an ordinance already adopted in the county to require that before applications under IC 4-31-5.5 to operate a satellite facility in the county may be filed, the voters of the county must approve the operation of a satellite facility in the county under section 3 of this chapter.

An ordinance adopted under this section may not be amended to apply to a person who was issued a license under IC 4-31-5.5 before the ordinance was amended.

(c) Notwithstanding any other provision of this article, this section does not apply to a permit holder who:

- (1) was issued a permit before January 1, 2002; and**
- (2) files an application to operate a satellite facility in a county having a consolidated city.**

SECTION 8. IC 4-31-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) This section does not apply

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- 1 to either of the following:
- 2 (1) A permit holder who satisfies all of the following:
- 3 (A) The permit holder was issued a permit before January 2,
- 4 1996.
- 5 (B) The permit holder conducted live racing before January 2,
- 6 1996.
- 7 (C) The permit holder is currently operating under the permit.
- 8 (2) A person who satisfies all of the following:
- 9 (A) The person was issued a satellite facility license before
- 10 January 2, 1996.
- 11 (B) The person operated a satellite facility before January 2,
- 12 1996.
- 13 (C) The person is currently operating the satellite facility
- 14 under the license.
- 15 (b) This section applies if either of the following apply:
- 16 (1) Both of the following are satisfied:
- 17 (A) An ordinance is adopted under section 2 or 2.5 of this
- 18 chapter.
- 19 (B) The ordinance requires the voters of the county to approve
- 20 either of the following:
- 21 (i) The conducting of horse racing meetings in the county.
- 22 (ii) The operation of a satellite facility in the county.
- 23 (2) A local public question is required to be held under section
- 24 2.7 of this chapter following the filing of a petition with the
- 25 circuit court clerk:
- 26 (A) signed by at least the number of registered voters of the
- 27 county required under IC 3-8-6-3 to place a candidate on the
- 28 ballot; and
- 29 (B) requesting that the local public question set forth in
- 30 subsection (d) be placed on the ballot.
- 31 (c) Notwithstanding any other provision of this article, the
- 32 commission may not issue a recognized meeting permit under
- 33 IC 4-31-5 to allow the conducting of or the assisting of the conducting
- 34 of a horse racing meeting unless the voters of the county in which the
- 35 property is located have approved conducting recognized meetings in
- 36 the county.
- 37 (d) For a local public question required to be held under subsection
- 38 (c), the county election board shall place the following question on the
- 39 ballot in the county during the next general election:
- 40 "Shall horse racing meetings at which pari-mutuel wagering
- 41 occurs be allowed in _____ County?"
- 42 (e) Notwithstanding any other provision of this article, the

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commission may not issue a satellite facility license under IC 4-31-5.5 to operate a satellite facility unless the voters of the county in which the satellite facility will be located approve the operation of the satellite facility in the county.

(f) For a local public question required to be held under subsection (e), the county election board shall place the following question on the ballot in the county during the next general election:

"Shall satellite facilities at which pari-mutuel wagering occurs be allowed in _____ County?"

(g) A public question under this section must be certified in accordance with IC 3-10-9-3 and shall be placed on the ballot in accordance with IC 3-10-9.

(h) The circuit court clerk of a county holding an election under this chapter shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

(i) If a public question is placed on the ballot under subsection (d) or (f) in a county and the voters of the county do not vote in favor of the public question, a second public question under that subsection may not be held in the county for at least two (2) years. If the voters of the county vote to reject the public question a second time, a third or subsequent public question under that subsection may not be held in the county until the general election held during the tenth year following the year of the previous public question held under that subsection.

(j) Notwithstanding any other provision of this article, this section does not apply to a permit holder who:

- (1) was issued a permit before January 1, 2002; and**
- (2) files an application to operate a satellite facility in a county having a consolidated city.**

SECTION 9. IC 4-31-4-4 ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 4. (a) This section applies to the following:**

- (1) A permit holder who satisfies all of the following:**
 - (A) The permit holder was issued a satellite facility license before January 2, 1996.**
 - (B) The permit holder operated a satellite facility located in a county having a consolidated city before January 2, 1996.**
 - (C) The permit holder is currently operating the satellite facility under the license.**
 - (D) The permit holder operates a racetrack in a county having a population of more than one hundred thirty**



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thousand (130,000) but less than one hundred forty-five thousand (145,000).

(2) A permit holder who satisfies both of the following:

(A) The permit holder was issued a permit before January 2, 2002 to operate a racetrack in a county having a population of more than forty-three thousand (43,000) but less than forty-five thousand (45,000).

(B) The permit holder has filed an application to operate a satellite facility in a county having a consolidated city.

(b) Notwithstanding any other provision of this article, the Indiana gaming commission may not authorize the permit holder to offer pari-mutuel pull tab games at the permit holder's:

(1) satellite facility located in the county described in subsection (a); or

(2) racetrack;

unless the voters of the county in which the satellite facility or racetrack is located approve pari-mutuel pull tab games in the county.

(c) For a local public question required to be held under subsection (b), the county election board shall place the following question on the ballot in the county during the next general election:

"Shall pari-mutuel pull tab games be allowed in _____ County?"

(d) A public question under this section must be certified in accordance with IC 3-10-9-3 and shall be placed on the ballot in accordance with IC 3-10-9.

(e) The circuit court clerk of a county holding an election under this chapter shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

(f) If a public question is placed on the ballot under subsection (c) in a county and the voters of the county do not vote in favor of the public question, a second public question under that subsection may not be held in the county for at least two (2) years. If the voters of the county vote to reject the public question a second time, a third or subsequent public question under that subsection may not be held in the county until the general election held during the tenth year following the year of the previous public question held under that subsection.

SECTION 10. IC 4-31-5-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15. Except as provided in IC 4-31-7.5, any fees or penalties collected by the



commission under ~~IC 4-31-3-9(1)(E)~~ **IC 4-31-3-9(1)(F)** through ~~IC 4-31-3-9(1)(G)~~ **IC 4-31-3-9(1)(H)** shall be paid into the state general fund.

SECTION 11. IC 4-31-5.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) As used in this section, "live racing day" means a day on which at least eight (8) live horse races are conducted.

(b) The commission's authority to issue satellite facility licenses is subject to the following conditions:

(1) The commission may issue four (4) satellite facility licenses to each permit holder that:

(A) conducts at least one hundred twenty (120) live racing days per year at the racetrack designated in the permit holder's permit; and

(B) meets the other requirements of this chapter and the rules adopted under this chapter.

If a permit holder that operates satellite facilities does not meet the required minimum number of live racing days, the permit holder may not operate the permit holder's satellite facilities during the following year. However, the requirement for one hundred twenty (120) live racing days does not apply if the commission determines that the permit holder is prevented from conducting live horse racing as a result of a natural disaster or other event over which the permit holder has no control. In addition, if the initial racing meeting conducted by a permit holder commences at such a time as to make it impractical to conduct one hundred twenty (120) live racing days during the permit holder's first year of operations, the commission may authorize the permit holder to conduct simulcast wagering during the first year of operations with fewer than one hundred twenty (120) live racing days.

(2) Each proposed satellite facility must be covered by a separate application. The timing for filing an initial application for a satellite facility license shall be established by the rules of the commission.

(3) A satellite facility must:

(A) have full dining service available;

(B) have multiple screens to enable each patron to view simulcast races; and

(C) be designed to seat comfortably a minimum of four hundred (400) persons.

(4) In determining whether a proposed satellite facility should be

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approved, the commission shall consider the following:

- (A) The purposes and provisions of this chapter.
- (B) The public interest.
- (C) The impact of the proposed satellite facility on live racing.
- (D) The impact of the proposed satellite facility on the local community.
- (E) The potential for job creation.
- (F) The quality of the physical facilities and the services to be provided at the proposed satellite facility.
- (G) Any other factors that the commission considers important or relevant to its decision.

(5) The commission may not issue a license for a satellite facility to be located in a county unless IC 4-31-4 has been satisfied.

(6) Not more than one (1) license may be issued to each permit holder to operate a satellite facility located in a county having a consolidated city. The maximum number of licenses that the commission may issue for satellite facilities to be located in a county having a consolidated city is two (2) licenses.

SECTION 12. IC 4-31-5.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. A permit holder or group of permit holders that is authorized to operate satellite facilities may accept and transmit pari-mutuel wagers on horse racing at those facilities and may engage in all activities necessary to establish and operate appropriate satellite wagering facilities, including the following:

- (1) Live simulcasts of horse racing conducted at the permit holder's racetrack or at other racetracks. However, a satellite facility operated by a permit holder may not simulcast races conducted in other states on any day that is not a live racing day (as defined in section 3 of this chapter) unless the satellite facility also simulcasts all available races conducted in Indiana on that day.
- (2) Construction or leasing of satellite wagering facilities.
- (3) Sale of food and beverages.
- (4) Advertising and promotion.
- (5) **Sale of pari-mutuel pull tabs authorized under IC 4-31-7.5.**
- (6) All other related activities.

SECTION 13. IC 4-31-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) A person holding a permit to conduct a horse racing meeting or a license to operate a satellite facility may provide a place in the racing meeting grounds or enclosure or the satellite facility at which the person may conduct and

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supervise the pari-mutuel system of wagering by patrons of legal age on the horse races conducted or simulcast by the person. The person may not permit or use:

(1) another place other than that provided and designated by the person; or

(2) another method or system of betting or wagering. **However, a person holding a permit to conduct a horse racing meeting may permit wagering on pari-mutuel pull tabs at the person's racetrack or satellite facility as permitted by IC 4-31-7.5.**

(b) Except as provided in section 7 of this chapter and IC 4-31-5.5, the pari-mutuel system of wagering may not be conducted on any races except the races at the racetrack, grounds, or enclosure for which the person holds a permit.

SECTION 14. IC 4-31-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) A person less than ~~eighteen (18)~~ **twenty-one (21)** years of age may not wager at a horse racing meeting.

(b) A person less than ~~seventeen (17)~~ **eighteen (18)** years of age may not enter the grandstand, clubhouse, or similar areas of a racetrack at which wagering is permitted unless accompanied by a person who is at least twenty-one (21) years of age.

(c) A person less than eighteen (18) years of age may not enter a satellite facility.

(d) A person less than twenty-one (21) years of age may not enter the part of a satellite facility or racetrack in which pari-mutuel pull tabs are sold and redeemed.

SECTION 15. IC 4-31-7.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 7.5. Pari-Mutuel Pull Tabs

Sec. 1. (a) This chapter applies only to the sale of pari-mutuel pull tabs by a person who holds a permit to conduct a pari-mutuel horse racing meeting issued under IC 4-31-5.

(b) This chapter does not apply to the sale of pull tabs by a qualified organization (as defined in IC 4-32-6-20) under IC 4-32.

Sec. 2. A pari-mutuel pull tab game must be conducted in the following manner:

(1) Each set of tickets must have a predetermined:

(A) total purchase price; and

(B) amount of prizes.

(2) Randomly ordered pari-mutuel pull tab tickets may be distributed from an approved location or from a distribution



device to:

(A) the permit holder at the permit holder's racetrack or satellite facility, or both; or

(B) a terminal or device of the permit holder at the permit holder's racetrack or satellite facility, or both.

(3) A pari-mutuel pull tab ticket must be presented to a player in the form of a paper ticket or display on a terminal or device.

(4) Game results must be initially covered or otherwise concealed from view on the pari-mutuel pull tab ticket, terminal, or device so that the number, letter, symbol, or set of numbers, letters, or symbols cannot be seen until the concealing medium is removed.

(5) A winner is identified after the display of the game results when a player removes the concealing medium of the pari-mutuel pull tab ticket or display on a terminal or device.

(6) A winner shall receive the prize or prizes posted or displayed for the game from the permit holder.

Sec. 3. A person less than twenty-one (21) years of age may not purchase a pari-mutuel pull tab ticket.

Sec. 4. The sale price of a pari-mutuel pull tab ticket may not exceed ten dollars (\$10).

Sec. 5. (a) The sale, purchase, and redemption of pari-mutuel pull tab tickets are limited to the following locations:

(1) A live pari-mutuel horse racing facility operated by a permit holder under a recognized meeting permit first issued before January 1, 2002.

(2) A satellite facility that is located in a county having a consolidated city and that is operated by a permit holder described in subdivision (1).

(b) A permit holder may not install more than seven hundred fifty (750) pull tab terminals or devices on the premises of the permit holder's live pari-mutuel horse racing facility or satellite facility located in a county containing a consolidated city.

Sec. 6. The number and size of the prizes in a pari-mutuel pull tab game must be finite but may not be limited.

Sec. 7. A list of prizes for winning pari-mutuel pull tab tickets must be posted or displayed at a location where the tickets are sold.

Sec. 8. A permit holder may close a pari-mutuel pull tab game at any time.

Sec. 9. A terminal or device selling pari-mutuel pull tab tickets may be operated by a player without the assistance of the permit

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holder for the sale and redemption of pari-mutuel pull tab tickets.

Sec. 10. A terminal or device selling pari-mutuel pull tab tickets may not dispense coins or currency as prizes for winning tickets. Prizes awarded by a terminal or device must be in the form of credits for additional play or certificates redeemable for cash or prizes.

Sec. 11. (a) A tax is imposed on the adjusted gross receipts received from the sale of pari-mutuel pull tabs authorized under this article at the rate of thirty percent (30%) of the amount of the adjusted gross receipts.

(b) The permit holder shall remit the tax imposed by this section to the department before the close of the business day following the day the pari-mutuel pull tabs are sold.

(c) The department may require payment under this section to be made by electronic funds transfer (as defined in IC 4-8.1-2-7(f)).

(d) If the department requires taxes to be remitted under this chapter through electronic funds transfer, the department may allow the permit holder to file a monthly report to reconcile the amounts remitted to the department.

(e) The department may allow taxes remitted under this section to be reported on the same form used for taxes paid under IC 4-31-9.

Sec. 12. (a) The state pull tab wagering fund is established. Money in the fund does not revert to the state general fund at the end of the state fiscal year.

(b) The department shall deposit tax revenue collected under section 11 of this chapter in the state pull tab wagering fund.

(c) Each month, the treasurer of state shall distribute the pull tab wagering tax revenue deposited in the state pull tab wagering fund under this section as follows:

(1) Twenty-five percent (25%) of the pull tab wagering tax revenue remitted by a permit holder shall be paid:

(A) to the city in which the racetrack from which the tax revenue was collected is located, in the case of a racetrack that is located in an incorporated area;

(B) to the county in which the racetrack from which the tax revenue was collected is located, in the case of a racetrack that is not located in an incorporated area; or

(C) as follows, with respect to tax revenue that is collected from a satellite facility located in a county containing a consolidated city:

(i) Fifty percent (50%) to the consolidated city.



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(ii) Twenty-five percent (25%) to the housing trust fund established under IC 36-7-15.1-35.5(e).

(iii) Fifteen percent (15%) to the county for the purposes of economic development.

(iv) Ten percent (10%) to the township in which the satellite facility is located.

(2) Seventy-five percent (75%) of the pull tab wagering tax revenue remitted by a permit holder shall be paid to the state general fund.

Sec. 13. (a) A tax is imposed on admissions to that part of a satellite facility or racetrack in which pari-mutuel pull tabs are sold, redeemed, or purchased under this chapter at a rate of two dollars (\$2) for each person admitted to the pull tab wagering area of the satellite facility or racetrack.

(b) A permit holder must pay the admissions taxes collected to the department. The licensed owner must make the tax payments each day for the preceding day's admissions.

(c) The payment of the tax under this section must be on a form prescribed by the department.

(d) The department may require payment under this section to be made by electronic funds transfer (as defined in IC 4-8.1-2-7(e)).

(e) If the department requires taxes to be paid under this section through electronic funds transfer, the department may allow the licensed owner to file a monthly report to reconcile the amount of taxes paid to the department.

(f) The department shall deposit tax revenue collected under this section in the state pull tab wagering fund.

Sec. 14. (a) Except as provided in subsection (b), the treasurer of state shall distribute the pull tab admissions tax revenue deposited in the state pull tab wagering fund under section 13 of this chapter as follows:

(1) One dollar (\$1) of the admissions tax collected for each person admitted to the pari-mutuel pull tab wagering area of the permit holder's racetrack shall be paid to the general fund of the county in which the racetrack is located.

(2) One dollar (\$1) of the admissions tax collected for each person admitted to the pari-mutuel pull tab wagering area of the permit holder's racetrack shall be paid to the school corporations located in the county to be used for capital projects. The admissions taxes distributed under this subdivision must be divided among the school corporations on a pro rata basis according to each school corporation's ADM



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(as defined in IC 21-3-1.6-1.1).

(b) With respect to the admissions taxes collected from a satellite facility located in a county containing a consolidated city, two dollars (\$2) of the admissions tax collected for each person admitted to the pari-mutuel pull tab wagering area of the satellite facility shall be paid to the school corporations located in the county to be used for capital projects. The admissions taxes distributed under this subsection must be divided among the school corporations on a pro rata basis according to each school corporation's ADM (as defined in IC 21-3-1.6-1.1).

Sec. 15. (a) The Indiana gaming commission shall adopt rules under IC 4-22-2, including emergency rules under IC 4-22-2-37.1, to implement this chapter, including rules that prescribe:

- (1) an approval process for pari-mutuel pull tab games that requires periodic testing of the games and equipment by an independent entity under the oversight of the gaming commission to ensure the integrity of the games to the public;
- (2) a system of internal audit controls;
- (3) a method of payment for pari-mutuel pull tab prizes that allows a player to transfer credits from one (1) terminal or device to another;
- (4) a method of payment for pari-mutuel pull tab prizes that allows a player to redeem a winning ticket for additional play tickets or credit to permit purchase of additional play tickets; and
- (5) any other procedure or requirement necessary for the efficient and economical operation of the pari-mutuel pull tab games and the convenience of the public.

(b) The Indiana gaming commission may enter into a contract with the Indiana horse racing commission for the provision of services necessary to administer pari-mutuel pull tab games.

Sec. 16. The Indiana gaming commission may assess an administrative fee to a permit holder offering pari-mutuel pull tab games in an amount that allows the gaming commission to recover all the gaming commission's costs of administering the pari-mutuel pull tab games.

Sec. 17. The Indiana gaming commission may not permit the sale of pari-mutuel pull tab tickets in a county where a riverboat is docked.

Sec. 18. (a) As used in this section, "net receipts" means a permit holder's adjusted gross receipts, minus any taxes paid under section 11 of this chapter.



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(b) Beginning January 1 following the second anniversary of the date that the sale of pari-mutuel pull tab tickets begins at a location described in this chapter and every year thereafter, the permit holder shall pay the percentage of the permit holder's net receipts set forth in subsection (c) to the commission for purse money and breed development.

(c) Beginning January 1 of the following years of operation, the purse money and breed development fee is equal to the following percentages of the permit holder's net receipts:

Year 3	2%
Year 4	2%
Year 5	4%
Year 6	6%
Year 7	7%
Year 8	8%
Year 9	9%
Year 10 and each year thereafter	10%

(d) The commission shall allocate money received under this section to purses and breed development.

Sec. 19. All shipments of gambling devices, including pari-mutuel pull tab machines, to permit holders in Indiana, the registering, recording, and labeling of which have been completed by the manufacturer or dealer in accordance with 15 U.S.C. 1171 through 15 U.S.C. 1178, are legal shipments of gambling devices into Indiana.

Sec. 20. Under 15 U.S.C. 1172, approved January 2, 1951, the state of Indiana, acting by and through elected and qualified members of the legislature, declares and proclaims that the state is exempt from 15 U.S.C. 1172.

Sec. 21. The sale, purchase, and redemption of pari-mutuel pull tab tickets under this chapter shall be regulated and administered by the Indiana gaming commission.

SECTION 16. IC 4-31-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. A person that holds a permit to conduct a horse racing meeting or a license to operate a satellite facility shall withhold:

- (1) eighteen percent (18%) of the total of money wagered on each day at the racetrack or satellite facility (including money wagered on exotic wagering pools, **but excluding money wagered on pari-mutuel pull tabs under IC 4-31-7.5**); plus
- (2) an additional three and one-half percent (3.5%) of the total of



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all money wagered on exotic wagering pools on each day at the racetrack or satellite facility.

SECTION 17. IC 4-31-14 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 14. Minority and Women's Business Participation

Sec. 1. This chapter applies to a person holding a permit to operate a racetrack under IC 4-31-5 at which pari-mutuel pull tab tickets are sold or a license to operate a satellite facility under IC 4-31-5.5 at which pari-mutuel pull tab tickets are sold.

Sec. 2. The general assembly declares that it is essential for minority and women's business enterprises to have the opportunity for full participation in the pari-mutuel pull tab game industry if minority and women's business enterprises are to obtain social and economic parity and if the economies of the cities, towns, and counties in which pari-mutuel pull tab games are operated are to be stimulated as contemplated by this article.

Sec. 3. As used in this chapter, "minority" means a person who is one (1) of the following:

- (1) Black.
- (2) Hispanic.
- (3) Asian American.
- (4) Native American or Alaskan native.

Sec. 4. As used in this chapter, "minority business enterprise" means a business that is one (1) of the following:

- (1) A sole proprietorship owned and controlled by a minority.
- (2) A partnership or joint venture owned and controlled by minorities:
 - (A) in which at least fifty-one percent (51%) of the ownership interest is held by at least one (1) minority; and
 - (B) the management and daily business operations of which are controlled by at least one (1) of the minorities who own the business.
- (3) A corporation or other entity:
 - (A) whose management and daily business operations are controlled by at least one (1) of the minorities who own the business; and
 - (B) that is at least fifty-one percent (51%) owned by at least one (1) minority or, if stock is issued, at least fifty-one percent (51%) of the stock is owned by at least one (1) minority.

Sec. 5. As used in this chapter, "women's business enterprise"



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means a business that is one (1) of the following:

- (1) A sole proprietorship owned and controlled by a woman.
- (2) A partnership or joint venture owned and controlled by women in which:
 - (A) at least fifty-one percent (51%) of the ownership is held by women; and
 - (B) the management and daily business operations are controlled by at least one (1) of the women who own the business.
- (3) A corporation or other entity:
 - (A) whose management and daily business operations are controlled by at least one (1) of the women who own the business; and
 - (B) that is at least fifty-one percent (51%) owned by women or, if stock is issued, at least fifty-one percent (51%) of the stock is owned by at least one (1) of the women.

Sec. 6. (a) As used in this section, "goods and services" does not include the following:

- (1) Utilities and taxes.
- (2) Financing costs, mortgages, loans, or other debt.
- (3) Medical insurance.
- (4) Fees and payments to a parent or an affiliated company of the permit holder or satellite facility operator, other than fees and payments for goods and services supplied by nonaffiliated persons through an affiliated company for the use or benefit of the permit holder or satellite facility operator.
- (5) Rents paid for real property or payment constituting the price of an interest in real property as a result of a real estate transaction.

(b) Notwithstanding any law or rule to the contrary, a permit holder operating a horse racetrack or a satellite facility shall establish goals of expending at least the following:

- (1) The greater of:
 - (A) ten percent (10%) of the dollar value of the permit holder or satellite facility operator's contracts for goods and services with minority business enterprises; or
 - (B) the percentage of the dollar value of the permit holder or satellite facility operator's contracts for goods and services with minority business enterprises that represents the percentage of minorities who reside in the county in which the racetrack or satellite facility is located.



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(2) Five percent (5%) of the dollar value of the permit holder or satellite facility operator's contracts for goods and services with women's business enterprises.

A permit holder or satellite facility operator shall submit quarterly reports to the commission that outline the total dollar value of contracts awarded for goods and services and the percentage awarded to minority and women's business enterprises.

(c) A permit holder or satellite facility operator shall make a good faith effort to meet the requirements of this section and shall quarterly, unless otherwise directed by the commission, demonstrate to the commission at a public meeting that an effort was made to meet the requirements.

(d) A permit holder or satellite facility operator may fulfill not more than seventy percent (70%) of an obligation under this chapter by requiring a vendor to set aside a part of a contract for minority or women's business enterprises. Upon request, the permit holder or satellite facility operator shall provide the commission with proof of the amount set aside.

Sec. 7. If the commission determines that the provisions of this chapter relating to expenditures and assignments to minority and women's business enterprises have not been met by a permit holder or satellite facility operator, the commission may suspend, limit, or revoke the person's satellite facility license or recognized meeting permit, impose a civil penalty, or impose appropriate conditions on the license or permit to ensure that the goals for expenditures and assignments to minority and women's business enterprises are met. However, if a determination is made that a permit holder or satellite facility operator has failed to demonstrate compliance with this chapter, the person has ninety (90) days from the date of the determination of noncompliance to comply.

Sec. 8. The commission shall deposit civil penalties imposed under section 7 of this chapter in the women and minority business assistance fund established by section 12 of this chapter.

Sec. 9. The commission shall establish and administer a unified certification procedure for minority and women's business enterprises that do business with permit holders and satellite facility operators on contracts for goods and services or contracts for business.

Sec. 10. The commission shall supply permit holders and satellite facility operators with a list of the minority and women's business enterprises the commission has certified under section 9 of this chapter. The commission shall review the list at least

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1 annually to determine the minority and women's business
 2 enterprises that should continue to be certified. The commission
 3 shall establish a procedure for challenging the designation of a
 4 certified minority or women's business enterprise. The procedure
 5 must include proper notice and a hearing for all parties concerned.

6 **Sec. 11. The commission shall adopt other rules necessary to**
 7 **interpret and implement this chapter.**

8 **Sec. 12. (a) The women and minority business assistance fund is**
 9 **established to assist women and minority business enterprises. The**
 10 **fund shall be administered by the commission. The fund consists of**
 11 **penalties imposed by the commission under section 7 of this**
 12 **chapter.**

13 **(b) The expenses of administering the fund shall be paid from**
 14 **money in the fund.**

15 **(c) The treasurer of state shall invest money in the fund not**
 16 **currently needed to meet the obligations of the fund in the same**
 17 **manner as other public money may be invested. Interest that**
 18 **accrues from these investments shall be deposited in the fund.**

19 **(d) Money in the fund at the end of a state fiscal year does not**
 20 **revert to the state general fund.**

21 **SECTION 18. IC 4-33-1-1 IS AMENDED TO READ AS**
 22 **FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. This article applies**
 23 **only to the following:**

- 24 (1) Counties contiguous to Lake Michigan.
- 25 (2) Counties contiguous to the Ohio River.
- 26 (3) ~~Counties contiguous to Patoka Lake.~~ **A historic preservation**
 27 **district that:**

28 **(A) is established under IC 36-7-11;**

29 **(B) is located in a county having a population of more than**
 30 **nineteen thousand three hundred (19,300) but less than**
 31 **twenty thousand (20,000); and**

32 **(C) consists solely of the real property owned by the**
 33 **historic resort hotels located in:**

34 **(i) a town having a population of more than one**
 35 **thousand five hundred (1,500) but less than two**
 36 **thousand two hundred (2,200); and**

37 **(ii) a town having a population of less than one thousand**
 38 **five hundred (1,500).**

39 **SECTION 19. IC 4-33-2-5.6 IS ADDED TO THE INDIANA CODE**
 40 **AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY**
 41 **1, 2002]: Sec. 5.6. "Cruise" means to depart from the dock while**
 42 **gambling is conducted.**



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SECTION 20. IC 4-33-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. "Dock" means the location where ~~an excursion~~ a riverboat moors for the purpose of embarking passengers for and disembarking passengers from ~~a gambling excursion~~ the riverboat.

SECTION 21. IC 4-33-2-11.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 11.5. "Historic resort hotel" means a structure originally built as a hotel that contained at least three hundred (300) sleeping rooms on or before January 1, 1930.

SECTION 22. IC 4-33-2-13.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 13.5. "Licensed operating agent" means a person licensed under IC 4-33-6.5 to operate a riverboat in a historic preservation district described in IC 4-33-1-1(3) on behalf of the district's historic preservation commission.

SECTION 23. IC 4-33-2-14.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 14.5. "Operating agent's license" means a license issued under IC 4-33-6.5 that allows a person to operate a riverboat in a historic preservation district described in IC 4-33-1-1(3) on behalf of the district's historic preservation commission.

SECTION 24. IC 4-33-2-15.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15.5. "Patron" means an individual who:

- (1) boards a riverboat; and
- (2) is not entitled to receive a tax free pass.

SECTION 25. IC 4-33-2-15.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15.7. "Permanently moored vessel" means a floating vessel that is:

- (1) incapable of self-propulsion; and
- (2) out of navigation.

The term includes a barge.

SECTION 26. IC 4-33-2-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 16. "Person" means an individual, a sole proprietorship, a partnership, an association, a fiduciary, a corporation, a limited liability company, a historic preservation district, or any other business entity.

SECTION 27. IC 4-33-2-16.3 IS ADDED TO THE INDIANA

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1 CODE AS A NEW SECTION TO READ AS FOLLOWS
 2 [EFFECTIVE JULY 1, 2002] **Sec. 16.3. "Pari-mutuel pull tab" has**
 3 **the meaning set forth in IC 4-31-2-11.5.**

4 SECTION 28. IC 4-33-2-16.5 IS ADDED TO THE INDIANA
 5 CODE AS A NEW SECTION TO READ AS FOLLOWS
 6 [EFFECTIVE JULY 1, 2002]: **Sec. 16.5. "Reporting period" means**
 7 **a twenty-four (24) hour increment used by the department under**
 8 **this article, commencing at 6 a.m. on one (1) day and concluding at**
 9 **5:59 a.m. the following day.**

10 SECTION 29. IC 4-33-2-17 IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 17. "Riverboat" means**
 12 **either of the following on which lawful gambling is authorized**
 13 **under this article:**

14 (1) A self-propelled ~~excursion~~ boat located in a county **or historic**
 15 **preservation district** described in IC 4-33-1-1 ~~on which lawful~~
 16 ~~gambling is authorized and licensed under this article; that~~
 17 **complies with IC 4-33-6-6.**

18 (2) A permanently moored vessel authorized under
 19 **IC 4-33-6-10(b) that complies with IC 4-33-17.**

20 SECTION 30. IC 4-33-4-2 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 2. The commission**
 22 **shall adopt rules under IC 4-22-2 for the following purposes:**

23 (1) Administering this article.

24 (2) Establishing the conditions under which riverboat gambling
 25 in Indiana may be conducted.

26 (3) Providing for the prevention of practices detrimental to the
 27 public interest and providing for the best interests of riverboat
 28 gambling.

29 (4) ~~With respect to riverboats that operate on Patoka Lake;~~
 30 ~~ensuring:~~

31 (A) ~~the prevention of practices detrimental to the natural~~
 32 ~~environment and scenic beauty of Patoka Lake; and~~

33 (B) ~~compliance by licensees and riverboat patrons with the~~
 34 ~~requirements of IC 14-26-2-5 and IC 14-28-1.~~

35 (5) (4) Establishing rules concerning inspection of riverboats and
 36 the review of the permits or licenses necessary to operate a
 37 riverboat.

38 (6) (5) Imposing penalties for noncriminal violations of this
 39 article.

40 (6) Establishing ethical standards regulating the conduct of
 41 members of a historic preservation commission established
 42 under IC 36-7-11-4.5 with regard to the selection and



1 **licensure of an operating agent to operate a riverboat in a**
 2 **historic preservation district described in IC 4-33-1-1(3).**

3 **(7) Establishing the conditions under which the sale, purchase,**
 4 **and redemption of pari-mutuel pull tabs may be conducted**
 5 **under IC 4-31-7.5.**

6 SECTION 31. IC 4-33-4-3, AS AMENDED BY P.L.14-2000,
 7 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2002]: Sec. 3. (a) The commission shall do the following:

9 (1) Adopt rules that the commission determines necessary to
 10 protect or enhance the following:

11 (A) The credibility and integrity of gambling operations
 12 authorized by this article.

13 (B) The regulatory process provided in this article.

14 ~~(C) The natural environment and scenic beauty of Patoka~~
 15 ~~Lake.~~

16 (2) Conduct all hearings concerning civil violations of this article.

17 (3) Provide for the establishment and collection of license fees
 18 and taxes imposed under this article.

19 (4) Deposit the license fees and taxes in the state gaming fund
 20 established by IC 4-33-13.

21 (5) Levy and collect penalties for noncriminal violations of this
 22 article.

23 (6) Deposit the penalties in the state gaming fund established by
 24 IC 4-33-13.

25 (7) Be present through the commission's inspectors and agents
 26 during the time gambling operations are conducted on a riverboat
 27 to do the following:

28 (A) Certify the revenue received by a riverboat.

29 (B) Receive complaints from the public.

30 (C) Conduct other investigations into the conduct of the
 31 gambling games and the maintenance of the equipment that
 32 the commission considers necessary and proper.

33 ~~(D) With respect to riverboats that operate on Patoka Lake,~~
 34 ~~ensure compliance with the following:~~

35 ~~(i) IC 14-26-2-6.~~

36 ~~(ii) IC 14-26-2-7.~~

37 ~~(iii) IC 14-28-1.~~

38 (8) Adopt emergency rules under IC 4-22-2-37.1 if the
 39 commission determines that:

40 (A) the need for a rule is so immediate and substantial that
 41 rulemaking procedures under IC 4-22-2-13 through
 42 IC 4-22-2-36 are inadequate to address the need; and

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(B) an emergency rule is likely to address the need.

(b) The commission shall begin rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 to adopt an emergency rule adopted under subsection (a)(8) not later than thirty (30) days after the adoption of the emergency rule under subsection (a)(8).

SECTION 32. IC 4-33-4-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. **If a riverboat cruises**, the commission shall authorize the route of ~~a the~~ riverboat and the stops, if any, that the riverboat may make **while on a cruise**.

SECTION 33. IC 4-33-4-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 13. (a) **This section does not apply to a riverboat located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).**

(b) After consulting with the United States Army Corps of Engineers, the commission may do the following:

(1) Determine the waterways that are navigable waterways for purposes of this article.

(2) Determine the navigable waterways that are suitable for the operation of riverboats under this article.

~~(b)~~ (c) In determining the navigable waterways on which riverboats may operate, the commission shall do the following:

(1) Obtain any required approvals from the United States Army Corps of Engineers for the operation of riverboats on those waterways.

(2) Consider the economic benefit that riverboat gambling provides to Indiana.

(3) Seek to ensure that all regions of Indiana share in the economic benefits of riverboat gambling.

~~(4) Considering IC 14-26-2-6, IC 14-26-2-7, and IC 14-28-1, conduct a feasibility study concerning:~~

~~(A) the environmental impact of the navigation and docking of riverboats upon Patoka Lake; and~~

~~(B) the impact of the navigation and docking of riverboats upon the scenic beauty of Patoka Lake.~~

SECTION 34. IC 4-33-4-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15. The commission shall annually do the following:

(1) Review the patterns of wagering and wins and losses by persons on riverboat gambling operations under this article.

(2) Make recommendations to the governor and the general assembly concerning whether limits on wagering losses should be

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imposed.

~~(3) Examine the impact on the natural environment and scenic beauty of Patoka Lake made by the navigation and docking of riverboats.~~

SECTION 35. IC 4-33-4-21.2, AS AMENDED BY P.L.215-2001, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 21.2. (a) The Indiana gaming commission shall require a licensed owner to conspicuously display the number of the toll free telephone line described in IC 4-33-12-6 in the following locations:

(1) On each admission ticket to a riverboat ~~gambling excursion~~ **if tickets are issued.**

(2) On a poster or placard that is on display in a public area of each riverboat where gambling games are conducted.

(b) The toll free telephone line described in IC 4-33-12-6 must be:

(1) maintained by the division of mental health and addiction under IC 12-23-1-6; and

(2) funded by the addiction services fund established by IC 12-23-2-2.

(c) The commission may adopt rules under IC 4-22-2 necessary to carry out this section.

SECTION 36. IC 4-33-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) The commission may issue to a person a license to own ~~one (1)~~ a riverboat subject to the numerical and geographical limitation of owner's licenses under this section, **section 3.5 of this chapter**, and IC 4-33-4-17. However, not more than eleven (11) owner's licenses may be in effect at any time. Except as provided in subsection (b), those eleven (11) licenses are as follows:

(1) Two (2) licenses for a riverboat that operates from the largest city located in the counties described under IC 4-33-1-1(1).

(2) One (1) license for a riverboat that operates from the second largest city located in the counties described under IC 4-33-1-1(1).

(3) One (1) license for a riverboat that operates from the third largest city located in the counties described under IC 4-33-1-1(1).

(4) One (1) license for a city located in the counties described under IC 4-33-1-1(1). This license may not be issued to a city described in subdivisions (1) through (3).

(5) A total of five (5) licenses for riverboats that operate upon the Ohio River from counties described under IC 4-33-1-1(2). The

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commission may not issue a license to an applicant if the issuance of the license would result in more than one (1) riverboat operating from a county described in IC 4-33-1-1(2).

(6) One (1) license for a riverboat that operates ~~upon Patoka Lake from a county in a historic preservation district~~ described under IC 4-33-1-1(3).

(b) If a city described in subsection (a)(2) or (a)(3) conducts two (2) elections under section 20 of this chapter, and the voters of the city do not vote in favor of permitting riverboat gambling at either of those elections, the license assigned to that city under subsection (a)(2) or (a)(3) may be issued to any city that:

(1) does not already have a riverboat operating from the city; and

(2) is located in a county described in IC 4-33-1-1(1).

SECTION 37. IC 4-33-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) A person applying for an owner's license under this chapter must pay a nonrefundable application fee to the commission. The commission shall determine the amount of the application fee. **However, the historic preservation district described in IC 4-33-1-1(3) or a member of the district's historic preservation commission is not required to pay the fee charged under this subsection.**

(b) An applicant must submit the following on forms provided by the commission:

(1) If the applicant is an individual, two (2) sets of the individual's fingerprints.

(2) If the applicant is not an individual, two (2) sets of fingerprints for each officer and director of the applicant.

(c) The commission shall review the applications for an owner's license under this chapter and shall inform each applicant of the commission's decision concerning the issuance of the owner's license.

(d) The costs of investigating an applicant for an owner's license under this chapter shall be paid from the application fee paid by the applicant.

(e) An applicant for an owner's license under this chapter must pay all additional costs that are:

(1) associated with the investigation of the applicant; and

(2) greater than the amount of the application fee paid by the applicant.

(f) The commission shall recoup all of the costs associated with investigating or reinvestigating an applicant that is a member of a historic preservation commission described in subsection (a) by imposing a special investigation fee upon the historic preservation

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1 **commission's licensed operating agent.**

2 SECTION 38. IC 4-33-6-3 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. The commission may
4 not issue an owner's license under this chapter to a person if:

5 (1) the person has been convicted of a felony under Indiana law,
6 the laws of any other state, or laws of the United States;

7 (2) the person has knowingly or intentionally submitted an
8 application for a license under this chapter that contains false
9 information;

10 (3) the person is a member of the commission;

11 (4) the person is an officer, a director, or a managerial employee
12 of a person described in subdivision (1) or (2);

13 (5) the person employs an individual who:

14 (A) is described in subdivision (1), (2), or (3); and

15 (B) participates in the management or operation of gambling
16 operations authorized under this article;

17 (6) the person owns an ownership interest of more than ~~ten~~
18 ~~percent (10%) in more than one (1) other person holding an~~
19 ~~owner's license issued under the total amount of ownership~~
20 **interest permitted under section 3.5 of this chapter; or**

21 (7) a license issued to the person:

22 (A) under this article; or

23 (B) to own or operate gambling facilities in another
24 jurisdiction;

25 has been revoked.

26 SECTION 39. IC 4-33-6-3.5 IS ADDED TO THE INDIANA CODE
27 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
28 1, 2002]: Sec. 3.5. (a) **For purposes of this section, a person is**
29 **considered to have an ownership interest in a riverboat owner's**
30 **license if the interest is owned directly or indirectly by the person**
31 **or by an entity controlled by the person.**

32 (b) **A person may have up to a one hundred percent (100%)**
33 **ownership interest in not more than two (2) riverboat licenses**
34 **issued under this chapter.**

35 (c) **A person may not have an ownership interest in more than**
36 **two (2) riverboat owner's licenses issued under this chapter.**

37 (d) **This section may not be construed to increase the maximum**
38 **number of licenses permitted under section 1 of this chapter or the**
39 **number of riverboats that may be owned and operated under a**
40 **license under section 10 of this chapter.**

41 SECTION 40. IC 4-33-6-5 IS AMENDED TO READ AS
42 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. (a) **This section**



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1 **does not apply to a riverboat located in a historic preservation**
 2 **district described in IC 4-33-1-1(3).**

3 (b) In an application for an owner's license, the applicant must state
 4 the dock at which the riverboat is based and the navigable waterway on
 5 which the riverboat will operate.

6 SECTION 41. IC 4-33-6-6 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) A riverboat that
 8 operates in a county described in IC 4-33-1-1(1) or IC 4-33-1-1(2)
 9 must:

10 (1) have a valid certificate of inspection from the United States
 11 Coast Guard for the carrying of at least five hundred (500)
 12 passengers; and

13 (2) be at least one hundred fifty (150) feet in length.

14 (b) A riverboat that operates ~~on Patoka Lake~~ **in a county described**
 15 **under IC 4-33-1-1(3)** must:

16 (1) have the capacity to carry at least five hundred (500)
 17 passengers;

18 (2) be at least one hundred fifty (150) feet in length; and

19 (3) meet safety standards required by the commission.

20 (c) This subsection applies only to a riverboat that operates on the
 21 Ohio River. A riverboat must replicate, as nearly as possible, historic
 22 Indiana steamboat passenger vessels of the nineteenth century.
 23 However, steam propulsion or overnight lodging facilities are not
 24 required under this subsection.

25 SECTION 42. IC 4-33-6-8 IS AMENDED TO READ AS
 26 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. If the commission
 27 determines that a person is eligible under this chapter for an owner's
 28 license, the commission may issue an owner's license to the person if:

29 (1) the person pays an initial license fee of twenty-five thousand
 30 dollars (\$25,000); and

31 (2) the person posts a bond as required in section 9 of this
 32 chapter.

33 **However, the historic preservation district described in**
 34 **IC 4-33-1-1(3) or a member of the district's historic preservation**
 35 **commission is not required to pay the fee charged under this**
 36 **section.**

37 SECTION 43. IC 4-33-6-9 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 9. (a) **Except as**
 39 **provided in subsection (l),** a licensed owner must post a bond with the
 40 commission at least sixty (60) days before the commencement of
 41 ~~regular gambling on the riverboat. excursions.~~

42 (b) The bond shall be furnished in:



(1) cash or negotiable securities;

(2) a surety bond:

(A) with a surety company approved by the commission; and

(B) guaranteed by a satisfactory guarantor; or

(3) an irrevocable letter of credit issued by a banking institution of Indiana acceptable to the commission.

(c) If a bond is furnished in cash or negotiable securities, the principal shall be placed without restriction at the disposal of the commission, but income inures to the benefit of the licensee.

(d) The bond:

(1) is subject to the approval of the commission;

(2) must be in an amount that the commission determines will adequately reflect the amount that a local community will expend for infrastructure and other facilities associated with a riverboat operation; and

(3) must be payable to the commission as obligee for use in payment of the licensed owner's financial obligations to the local community, the state, and other aggrieved parties, as determined by the rules of the commission.

(e) If after a hearing (after at least five (5) days written notice) the commission determines that the amount of a licensed owner's bond is insufficient, the licensed owner shall upon written demand of the commission file a new bond.

(f) The commission may require a licensed owner to file a new bond with a satisfactory surety in the same form and amount if:

(1) liability on the old bond is discharged or reduced by judgment rendered, payment made, or otherwise; or

(2) in the opinion of the commission any surety on the old bond becomes unsatisfactory.

(g) If a new bond obtained under subsection (e) or (f) is unsatisfactory, the commission shall cancel the owner's license. If the new bond is satisfactorily furnished, the commission shall release in writing the surety on the old bond from any liability accruing after the effective date of the new bond.

(h) A bond is released on the condition that the licensed owner remains at the site for which the owner's license is granted for the lesser of:

(1) five (5) years; or

(2) the date the commission grants a license to another licensed owner to operate from the site for which the bond was posted.

(i) A licensed owner who does not meet the requirements of subsection (h) forfeits a bond filed under this section. The proceeds of

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a bond that is in default under this subsection are paid to the commission for the benefit of the local unit from which the riverboat operated.

(j) The total and aggregate liability of the surety on a bond is limited to the amount specified in the bond and the continuous nature of the bond may in no event be construed as allowing the liability of the surety under a bond to accumulate for each successive approval period during which the bond is in force.

(k) A bond filed under this section is released sixty (60) days after:

(1) the time has run under subsection (h); and

(2) a written request is submitted by the licensed owner.

(l) The historic preservation district described in IC 4-33-1-1(3) or a member of the district's historic preservation commission is not required to post the bond required under this section.

SECTION 44. IC 4-33-6-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. (a) An owner's license issued under this chapter permits the holder to own and operate one (1) riverboat and equipment for each license.

(b) An owner's license issued under this chapter permits the holder to:

(1) conduct gambling games authorized under this article while the riverboat is cruising or docked;

(2) allow the continuous ingress and egress of passengers for purposes of gambling;

(3) conduct gambling games on a permanently moored vessel if a federally recognized Native American Indian tribe has applied to the United States Bureau of Indian Affairs to have land in a contiguous state taken into trust for a land based casino that is within thirty (30) miles of the riverboat; and

(4) conduct gambling games authorized under this article on a permanently moored vessel located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000) at the discretion of the commission.

(c) An owner's license issued under this chapter must specify the place where the riverboat must operate and dock. However, the commission may permit the riverboat to dock at a temporary dock in the applicable city for a specific period of time not to exceed one (1) year after the owner's license is issued.

~~(c)~~ (d) An owner's initial license expires five (5) years after the effective date of the license.

SECTION 45. IC 4-33-6-11 IS AMENDED TO READ AS



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FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 11. The commission may revoke an owner's license if:

- (1) the licensee begins regular ~~riverboat excursions~~ **operations** more than twelve (12) months after receiving the commission's approval of the application for the license; and
- (2) the commission determines that the revocation of the license is in the best interests of Indiana.

SECTION 46. IC 4-33-6-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 12. (a) Unless the owner's license is terminated, expires, or is revoked, the owner's license may be renewed annually upon:

- (1) the payment of a five thousand dollar (\$5,000) annual renewal fee; and
- (2) a determination by the commission that the licensee satisfies the conditions of this article.

However, the historic preservation district described in IC 4-33-1-1(3) or a member of the district's historic preservation commission is not required to pay the fee charged under this section.

(b) A licensed owner shall undergo a complete investigation every three (3) years to determine that the licensed owner remains in compliance with this article.

(c) Notwithstanding subsection (b), the commission may investigate a licensed owner at any time the commission determines it is necessary to ensure that the licensee remains in compliance with this article.

(d) The licensed owner shall bear the cost of an investigation or reinvestigation of the licensed owner and any investigation resulting from a potential transfer of ownership.

(e) The commission shall recoup all of the costs associated with investigating or reinvestigating a member of a historic preservation commission described in subsection (a) by imposing a special investigation fee upon the historic preservation commission's licensed operating agent.

SECTION 47. IC 4-33-6-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 19. (a) This section applies to:

- (1) a county contiguous to the Ohio River;
- ~~(2) a county contiguous to Patoka Lake; and~~
- ~~(3)~~ **(2)** a county contiguous to Lake Michigan that has a population of less than four hundred thousand (400,000).

(b) Notwithstanding any other provision of this article, the commission may not issue a license under this article to allow a



riverboat to operate in the county unless the voters of the county have approved the conducting of gambling games on riverboats in the county.

(c) If the docking of a riverboat in the county is approved by an ordinance adopted under section 18 of this chapter, or if at least the number of the registered voters of the county required under IC 3-8-6-3 for a petition to place a candidate on the ballot sign a petition submitted to the circuit court clerk requesting that a local public question concerning riverboat gaming be placed on the ballot, the county election board shall place the following question on the ballot in the county during the next general election:

"Shall licenses be issued to permit riverboat gambling in ____ County?"

(d) A public question under this section shall be placed on the ballot in accordance with IC 3-10-9 and must be certified in accordance with IC 3-10-9-3.

(e) The clerk of the circuit court of a county holding an election under this chapter shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

(f) If a public question under this section is placed on the ballot in a county and the voters of the county do not vote in favor of permitting riverboat gambling under this article, a second public question under this section may not be held in that county for at least two (2) years. If the voters of the county vote to reject riverboat gambling a second time, a third or subsequent public question under this section may not be held in that county until the general election held during the tenth year following the year that the previous public question was placed on the ballot.

SECTION 48. IC 4-33-6-19.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 19.5. (a) This section applies to a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).**

(b) The commission may issue only one (1) license under this article to allow a riverboat to operate in the county within a historic preservation district established under IC 36-7-11.

(c) The commission may not issue a license under this article to allow a riverboat to operate in the county unless the voters of:

- (1) a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200) located in the county; and**
- (2) a town having a population of less than one thousand five**



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1 hundred (1,500) located in the county;
 2 have approved gambling on riverboats in the county.

3 (d) If at least the number of registered voters of the town
 4 required under IC 3-8-6-3 for a petition to place a candidate on the
 5 ballot sign a petition submitted to the clerk of the circuit court
 6 requesting that a local public question concerning riverboat
 7 gambling be placed on the ballot, the county election board shall
 8 place the following question on the ballot in the town described in
 9 subsection (c) during the next primary or general election or a
 10 special election held under this section:

11 "Shall a license be issued to allow riverboat gambling in the
 12 town of _____?".

13 (e) A public question under this section shall be placed on the
 14 ballot in accordance with IC 3-10-9.

15 (f) If a public question is placed on the ballot under this section
 16 and the voters of the town do not vote in favor of allowing
 17 riverboat gambling under IC 4-33, another public question
 18 regarding riverboat gambling may not be held in the town for at
 19 least two (2) years.

20 (g) In a special election held under this section:

21 (1) IC 3 applies, except as otherwise provided in this section;
 22 and

23 (2) at least as many precinct polling places as were used in the
 24 towns described in subsection (c) during the most recent
 25 municipal election must be used for the special election.

26 (h) The clerk of the circuit court of a county holding an election
 27 under this section shall certify the results determined under
 28 IC 3-12-4-9 to the commission and the department of state revenue.

29 SECTION 49. IC 4-33-6-21 IS ADDED TO THE INDIANA CODE
 30 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 31 1, 2002]: Sec. 21. (a) As used in this section, "electronic gaming
 32 device" has the meaning set forth in 68 IAC 1-1-29.

33 (b) As used in this section, "live gaming device" has the meaning
 34 set forth in 68 IAC 1-1-59.

35 (c) Except as provided in subsection (d), a riverboat licensed
 36 under this article may not contain more than three thousand two
 37 hundred (3,200) electronic gaming devices.

38 (d) The maximum permissible number of electronic gaming
 39 devices imposed by subsection (c) does not apply to a riverboat that
 40 contains a number of electronic gaming devices that exceeds two
 41 thousand eight hundred eighty (2,880) on July 1, 2002. However,
 42 a riverboat described in this subsection may not add more than



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three hundred twenty (320) electronic gaming devices to the number of electronic gaming devices contained on the riverboat on July 1, 2002.

(e) This section does not limit the number of live gaming devices that a riverboat may contain.

SECTION 50. IC 4-33-6.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 6.5. Riverboat Operating Agent's License

Sec. 1. This chapter applies only to a riverboat operated under a license described in IC 4-33-6-1(a)(6).

Sec. 2. (a) A person applying for an operating agent's license under this chapter must pay a nonrefundable application fee to the commission. The commission shall determine the amount of the application fee.

(b) An applicant must submit the following on forms provided by the commission:

(1) If the applicant is an individual, two (2) sets of the individual's fingerprints.

(2) If the applicant is not an individual, two (2) sets of fingerprints for each officer and director of the applicant.

(c) The commission shall review the applications for a license under this chapter and shall inform each applicant of the commission's decision concerning the issuance of the license.

(d) The costs of investigating an applicant for a license under this chapter shall be paid from the application fee paid by the applicant.

(e) An applicant for a license under this chapter must pay all additional costs that are:

(1) associated with the investigation of the applicant; and

(2) greater than the amount of the application fee paid by the applicant.

Sec. 3. The commission may not issue an operating agent's license under this chapter to a person if:

(1) the person has been convicted of a felony under Indiana law, the laws of any other state, or laws of the United States;

(2) the person has knowingly or intentionally submitted an application for a license under this chapter that contains false information;

(3) the person is a member of the commission;

(4) the person is an officer, a director, or a managerial employee of a person described in subdivision (1) or (2);



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- (5) the person employs an individual who:
 - (A) is described in subdivision (1), (2), or (3); and
 - (B) participates in the management or operation of gambling operations authorized under this article;
 - (6) the person owns an ownership interest of more than the total amount of ownership interests permitted under IC 4-33-6-3.5; or
 - (7) a license issued to the person:
 - (A) under this article; or
 - (B) to own or operate gambling facilities in another jurisdiction;
- has been revoked.

Sec. 4. In determining whether to grant an operating agent's license to an applicant, the commission shall consider the following:

- (1) The character, reputation, experience, and financial integrity of the following:
 - (A) The applicant.
 - (B) A person that:
 - (i) directly or indirectly controls the applicant; or
 - (ii) is directly or indirectly controlled by the applicant or by a person that directly or indirectly controls the applicant.
- (2) The facilities or proposed facilities for the conduct of riverboat gambling in a historic preservation district described in IC 4-33-1-1(3).
- (3) The highest prospective total revenue to be collected by the state from the conduct of riverboat gambling.
- (4) The good faith affirmative action plan of each applicant to recruit, train, and upgrade minorities in all employment classifications.
- (5) The financial ability of the applicant to purchase and maintain adequate liability and casualty insurance.
- (6) If the applicant has adequate capitalization to operate a riverboat for the duration of the license.
- (7) The extent to which the applicant exceeds or meets other standards adopted by the commission.

Sec. 5. If the commission determines that a person is eligible under this chapter for an operating agent's license, the commission may issue an operating agent's license to the person if:

- (1) the person pays an initial license fee of twenty-five thousand dollars (\$25,000); and



(2) the person posts a bond as required in section 6 of this chapter.

Sec. 6. (a) A licensed operating agent must post a bond with the commission at least sixty (60) days before the commencement of regular riverboat operations in the historic preservation district described in IC 4-33-1-1(3).

(b) The bond shall be furnished in:

(1) cash or negotiable securities;

(2) a surety bond:

(A) with a surety company approved by the commission; and

(B) guaranteed by a satisfactory guarantor; or

(3) an irrevocable letter of credit issued by a banking institution of Indiana acceptable to the commission.

(c) If a bond is furnished in cash or negotiable securities, the principal shall be placed without restriction at the disposal of the commission, but income inures to the benefit of the licensee.

(d) The bond:

(1) is subject to the approval of the commission; and

(2) must be payable to the commission as obligee for use in payment of the riverboat's financial obligations to the local community, the state, and other aggrieved parties, as determined by the rules of the commission.

(e) If after a hearing (after at least five (5) days written notice) the commission determines that the amount of a licensed operating agent's bond is insufficient, the operating agent shall, upon written demand of the commission, file a new bond.

(f) The commission may require a licensed operating agent to file a new bond with a satisfactory surety in the same form and amount if:

(1) liability on the old bond is discharged or reduced by judgment rendered, payment made, or otherwise; or

(2) in the opinion of the commission any surety on the old bond becomes unsatisfactory.

(g) If a new bond obtained under subsection (e) or (f) is unsatisfactory, the commission shall cancel the operating agent's license. If the new bond is satisfactorily furnished, the commission shall release in writing the surety on the old bond from any liability accruing after the effective date of the new bond.

(h) A bond is released on the condition that the licensed operating agent remains at the site of the riverboat operating within a historic preservation district:



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1 (1) for five (5) years; or

2 (2) until the date the commission grants a license to another
3 operating agent to operate from the site for which the bond
4 was posted;

5 whichever occurs first.

6 (i) An operating agent who does not meet the requirements of
7 subsection (h) forfeits a bond filed under this section. The proceeds
8 of a bond that is in default under this subsection are paid to the
9 commission for the benefit of the local unit from which the
10 riverboat operated.

11 (j) The total liability of the surety on a bond is limited to the
12 amount specified in the bond and the continuous nature of the
13 bond may not be construed as allowing the liability of the surety
14 under a bond to accumulate for each successive approval period
15 during which the bond is in force.

16 (k) A bond filed under this section is released sixty (60) days
17 after:

18 (1) the time has run under subsection (h); and

19 (2) a written request is submitted by the operating agent.

20 Sec. 7. (a) Unless the operating agent's license is terminated,
21 expires, or is revoked, the operating agent's license may be
22 renewed annually upon:

23 (1) the payment of a five thousand dollar (\$5,000) annual
24 renewal fee; and

25 (2) a determination by the commission that the licensee
26 satisfies the conditions of this article.

27 (b) An operating agent shall undergo a complete investigation
28 every three (3) years to determine that the operating agent remains
29 in compliance with this article.

30 (c) Notwithstanding subsection (b), the commission may
31 investigate an operating agent at any time the commission
32 determines it is necessary to ensure that the licensee remains in
33 compliance with this article.

34 (d) The operating agent shall bear the cost of an investigation or
35 reinvestigation of the operating agent.

36 Sec. 8. A license issued under this chapter permits the holder to
37 operate a the riverboat on behalf of the licensed owner of the
38 riverboat.

39 Sec. 9. An operating agent licensed under this chapter is
40 charged with all the duties imposed upon a licensed owner under
41 this article including the collection and remission of taxes under
42 IC 4-33-12 and IC 4-33-13.



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SECTION 51. IC 4-33-7.5 IS ADDED TO THE INDIANA CODE
AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2002]:

Chapter 7.5. Pari-Mutuel Pull Tab Suppliers

Sec. 1. The commission may issue a supplier's license under this chapter to a person if:

(1) the person has:

(A) applied for the supplier's license;

(B) paid a nonrefundable application fee set by the commission;

(C) paid a five thousand dollar (\$5,000) annual license fee; and

(D) submitted on forms provided by the commission:

(i) if the applicant is an individual, two (2) sets of the individual's fingerprints; and

(ii) if the applicant is not an individual, two (2) sets of fingerprints for each officer and director of the applicant; and

(2) the commission has determined that the applicant is eligible for a supplier's license.

Sec. 2. (a) A person holding a supplier's license may sell, lease, and contract to sell or lease pari-mutuel pull tab terminals and devices to a permit holder authorized to sell and redeem pari-mutuel pull tab tickets under IC 4-31-7.5.

(b) Pari-mutuel pull tab terminals and devices may not be distributed unless the terminals and devices conform to standards adopted by the commission.

Sec. 3. A person may not receive a supplier's license if:

(1) the person has been convicted of a felony under Indiana law, the laws of any other state, or laws of the United States;

(2) the person has knowingly or intentionally submitted an application for a license under this chapter that contains false information;

(3) the person is a member of the commission;

(4) the person is an officer, a director, or a managerial employee of a person described in subdivision (1) or (2);

(5) the person employs an individual who:

(A) is described in subdivision (1), (2), or (3); and

(B) participates in the management or operation of gambling operations authorized under this article;

(6) the person owns more than a ten percent (10%) ownership interest in any other person holding a permit issued under

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1 **IC 4-31; or**

2 **(7) a license issued to the person:**

3 **(A) under this article; or**

4 **(B) to supply gaming supplies in another jurisdiction;**

5 **has been revoked.**

6 **Sec. 4. A person may not furnish pari-mutuel pull tab terminals**
 7 **or devices to a permit holder unless the person possesses a**
 8 **supplier's license.**

9 **Sec. 5. (a) A supplier shall furnish to the commission a list of all**
 10 **pari-mutuel pull tab terminals and devices offered for sale or lease**
 11 **in connection with the sale of pari-mutuel pull tab tickets**
 12 **authorized under IC 4-31-7.5.**

13 **(b) A supplier shall keep books and records for the furnishing**
 14 **of pari-mutuel pull tab terminals and devices to permit holders**
 15 **separate from books and records of any other business operated by**
 16 **the supplier.**

17 **(c) A supplier shall file a quarterly return with the commission**
 18 **listing all sales and leases.**

19 **(d) A supplier shall permanently affix the supplier's name to all**
 20 **of the supplier's pari-mutuel pull tab terminals or devices provided**
 21 **to permit holders under this chapter.**

22 **Sec. 6. A supplier's pari-mutuel pull tab terminals or devices**
 23 **that are used by a person in an unauthorized gambling operation**
 24 **shall be forfeited to the state.**

25 **Sec. 7. Pari-mutuel pull tab terminals and devices that are**
 26 **provided by a supplier may be:**

27 **(1) repaired on the premises of a racetrack or satellite facility;**
 28 **or**

29 **(2) removed for repair from the premises of a permit holder**
 30 **to a facility owned the permit holder.**

31 **Sec. 8. (a) Unless a supplier's license is suspended, expires, or is**
 32 **revoked, the supplier's license may be renewed annually upon:**

33 **(1) the payment of a five thousand dollar (\$5,000) annual**
 34 **renewal fee; and**

35 **(2) a determination by the commission that the licensee is in**
 36 **compliance with this article.**

37 **(b) The holder of a supplier's license shall undergo a complete**
 38 **investigation every three (3) years to determine that the licensee is**
 39 **in compliance with this article.**

40 **(c) Notwithstanding subsection (b), the commission may**
 41 **investigate the holder of a supplier's license at any time the**
 42 **commission determines it is necessary to ensure that the licensee is**



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1 in compliance with this article.

2 (d) The holder of a supplier's license shall bear the cost of an
3 investigation or reinvestigation of the licensee and any
4 investigation resulting from a potential transfer of ownership.

5 SECTION 52. IC 4-33-9-3 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) Except as
7 provided in subsection (b), a riverboat ~~excursions~~ **cruise** may not
8 exceed four (4) hours for a round trip.

9 (b) Subsection (a) does not apply to an extended cruise that is
10 expressly approved by the commission.

11 SECTION 53. IC 4-33-9-14 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 14. (a) This section
13 applies only to a riverboat that operates from a county that is
14 contiguous to the Ohio River.

15 (b) A ~~gambling excursion~~ **cruise** is permitted only when the
16 navigable waterway for which the riverboat is licensed is navigable, as
17 determined by the commission in consultation with the United States
18 Army Corps of Engineers.

19 SECTION 54. IC 4-33-9-15 IS AMENDED TO READ AS
20 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15. (a) All tokens,
21 chips, or electronic cards that are used to make wagers must be
22 purchased from the owner of the riverboat:

23 (1) while on board the riverboat; or

24 (2) at an on-shore facility that:

25 (A) has been approved by the commission; and

26 (B) is located where the riverboat docks.

27 (b) The tokens, chips, or electronic cards may be purchased by
28 means of an agreement under which the owner extends credit to the
29 patron.

30 (c) **A licensed owner may not seek treble damages in an action
31 to collect a gambling debt incurred under this section.**

32 SECTION 55. IC 4-33-10-1 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) A person who
34 knowingly or intentionally:

35 (1) makes a false statement on an application submitted under this
36 article;

37 (2) operates a ~~gambling excursion~~ **riverboat** in which wagering
38 is conducted or is to be conducted in a manner other than the
39 manner required under this article;

40 (3) permits a person less than twenty-one (21) years of age to
41 make a wager;

42 (4) wagers or accepts a wager at a location other than a riverboat;



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1 or

2 (5) makes a false statement on an application submitted to the
3 commission under this article; or

4 **(6) aids, induces, or causes a person less than twenty-one (21)**
5 **years of age who is not an employee of the riverboat gambling**
6 **operation to enter or attempt to enter a riverboat;**

7 commits a Class A misdemeanor.

8 **(b) A person who:**

9 **(1) is not an employee of the riverboat operation;**

10 **(2) is less than twenty-one (21) years of age; and**

11 **(3) knowingly or intentionally enters or attempts to enter a**
12 **riverboat;**

13 commits a Class A misdemeanor.

14 SECTION 56. IC 4-33-10-5 IS AMENDED TO READ AS
15 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. An action to
16 prosecute a crime occurring during a gambling ~~excursion~~ on a
17 **riverboat** shall be tried in the county of the dock where the riverboat
18 is ~~based~~ **located**.

19 SECTION 57. IC 4-33-12-1 IS AMENDED TO READ AS
20 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. **(a) This section**
21 **does not apply to a licensed owner that conducts gambling games**
22 **on a permanently moored vessel.**

23 **(b) A tax is imposed on admissions to gambling excursions a**
24 **riverboat authorized under this article at a rate of either:**

25 **(1) three four dollars (\$3) (\$4) for each person admitted to the**
26 **gambling excursion: patron who is on board at the time a**
27 **passenger count is recorded as provided in section 1.5 of this**
28 **chapter; or**

29 **(2) seven dollars (\$7) per day for each patron who boards the**
30 **riverboat during a particular day.**

31 **(c) The licensed owner shall elect the rate and method that the**
32 **licensed owner wishes to use to collect the admissions tax imposed**
33 **under this section. The licensed owner shall notify the department**
34 **of the licensed owner's election.**

35 **(d) If the licensed owner elects to use the rate and method set**
36 **forth in subsection (b)(2), the admissions tax shall be imposed only**
37 **one (1) time per day per patron.**

38 **(e) This admission tax is imposed upon the licensed owner**
39 **conducting the gambling ~~excursion~~ operation.**

40 SECTION 58. IC 4-33-12-1.3 IS ADDED TO THE INDIANA
41 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
42 [EFFECTIVE JULY 1, 2002]: **Sec. 1.3. (a) This section applies only**



to a licensed owner that conducts gambling games on a permanently moored vessel.

(b) A tax is imposed on admissions to a riverboat authorized under this article at a rate of either:

(1) five dollars (\$5) for each patron who is on board at the time a passenger count is recorded as provided in section 1.5 of this chapter; or

(2) eight dollars (\$8) per day for each patron who boards the riverboat during a particular day.

(c) The licensed owner shall elect the rate and method that the licensed owner wishes to use to collect the admissions tax imposed under this section. The licensed owner shall notify the department of the licensed owner's election.

(d) If the licensed owner elects to use the rate and method set forth in subsection (b)(2), the admissions tax shall be imposed only one (1) time per day per patron.

(e) This admission tax is imposed upon the licensed owner conducting the gambling operation.

SECTION 59. IC 4-33-12-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1.5. (a) This section applies only to a licensed owner that elects to collect the admissions tax under section 1(b)(1) or 1.3(b)(1) of this chapter.

(b) Passenger counts must be recorded one (1) hour after the start of each reporting period and once every two (2) hours thereafter under procedures approved by the commission.

(c) If the riverboat's schedule as approved by the commission does not provide for the riverboat to be open to the public at the start of the reporting period, passenger counts must be recorded one (1) hour after the riverboat begins admitting patrons during a reporting period and once every two (2) hours thereafter under procedures approved by the commission.

SECTION 60. IC 4-33-12-6, AS AMENDED BY P.L.215-2001, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) The department shall place in the state general fund the tax revenue collected under this chapter.

(b) Except as provided by subsection (c) and IC 6-3.1-20-7, the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (i), one dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to:

(A) the city in which the riverboat is docked, if the city:



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(i) is described in IC 4-33-6-1(a)(1) through IC 4-33-6-1(a)(4) or in IC 4-33-6-1(b); or

(ii) is contiguous to the Ohio River and is the largest city in the county; and

(B) the county in which the riverboat is docked, if the riverboat is not docked in a city described in clause (A).

(2) **Except as provided in subsection (i)**, one dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the county in which the riverboat is docked. In the case of a county described in subdivision (1)(B), this one dollar (\$1) is in addition to the one dollar (\$1) received under subdivision (1)(B).

(3) **Except as provided in subsection (i)**, ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during a quarter shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(5) Ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) **Except as provided in subsections (k) through (n)**, sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To ~~a~~ **each** racetrack that ~~was~~ **has been** approved by the Indiana horse racing commission under IC 4-31. The **Indiana horse racing** commission may make a grant under this clause only for purses, promotions, and routine operations of ~~the~~ **a** racetrack. No grants shall be made for long term capital

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investment or construction and no grants shall be made before the racetrack becomes operational and is offering a racing schedule. **If a permit holder sells pull tabs at a racetrack or satellite facility, the maximum amount that the Indiana horse racing commission may grant for routine operations at the permit holder's racetrack is equal to:**

(i) the total amount granted under this section in a calendar year to a racetrack operated by a permit holder under a recognized meeting permit first issued before January 1, 2002; minus

(ii) the total adjusted gross receipts reported by a permit holder under IC 4-31-7.5-11 for the twelve (12) months immediately preceding the date on which the grant is distributed.

(C) To county and 4-H fairs for the maintenance and operation of horse racing facilities.

The maximum amount paid to the Indiana horse racing commission under this subdivision in a state fiscal year may not exceed twenty-six million dollars (\$26,000,000), minus the amount, if any, paid to the Indiana horse racing commission under IC 4-31-7.5-18.

(7) The remainder of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to county treasurer of each county described in subsection (j) according to the ratio the population of each county bears to the total population of the counties that do not have any of the following:

(A) A riverboat licensed under this article.

(B) A pari-mutuel horse racing track licensed under IC 4-31.

(C) A satellite facility offering pari-mutuel pull tabs under IC 4-31-7.5.

(c) With respect to tax revenue collected from a riverboat that operates on Patoka Lake, **in a historic preservation district described in IC 4-33-1-1(3),** the treasurer of state shall quarterly pay the following amounts:

(1) The counties ~~described in IC 4-33-1-1(3)~~ **that are contiguous to Patoka Lake** shall receive one dollar ~~(\$1)~~ **and twenty cents (\$1.20)** of the admissions tax collected for each person embarking on the riverboat during the quarter. This amount shall be divided equally among the counties ~~described in IC 4-33-1-1(3)~~ **that are contiguous to Patoka Lake.**



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(2) The ~~Patoka Lake development account established under IC 4-33-15~~ **historic preservation district described in IC 4-33-1-1(3)** shall receive ~~one dollar (\$1)~~ **forty cents (\$0.40)** of the admissions tax collected for each person embarking on the riverboat during the quarter.

(3) The ~~resource conservation and development program that:~~

~~(A) is established under 16 U.S.C. 3451 et seq.; and~~

~~(B) serves the Patoka Lake area;~~

town described in IC 4-33-1-1(3)(C)(i) shall receive forty cents (\$0.40) of the admissions tax collected for each person embarking on the riverboat during the quarter.

(4) The town described in IC 4-33-1-1(3)(C)(ii) shall receive forty cents (\$0.40) of the admissions tax collected for each person embarking on the riverboat during the quarter.

(5) The state general fund tourism commission of the town described in IC 4-33-1-1(3)(C)(i) shall receive ~~fifty cents (\$0.50)~~ twenty-five cents (\$0.25) of the admissions tax collected for each person embarking on the riverboat during the quarter.

(6) The tourism commission of the town described in IC 4-33-1-1(3)(C)(ii) shall receive twenty-five cents (\$0.25) of the admissions tax collected for each person embarking on the riverboat during the quarter.

~~(5)~~ **(7) The division of mental health and addiction shall receive ten cents (\$0.10) of the admissions tax collected for each person embarking on the riverboat during the quarter. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.**

(8) The remainder of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to county treasurer of each county described in subsection (j) according to the ratio the population of each county bears to the total population of the counties that do not have a riverboat licensed under this article.

(d) Money paid to a unit of local government under subsection (b)(1) through (b)(2) or subsection (c)(1), **(c)(3), or (c)(4):**

(1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9, or both;

(2) may not be used to reduce the unit's maximum levy under IC 6-1.1-18.5, but may be used at the discretion of the unit to



1 reduce the property tax levy of the unit for a particular year;

2 (3) may be used for any legal or corporate purpose of the unit,
3 including the pledge of money to bonds, leases, or other
4 obligations under IC 5-1-14-4; and

5 (4) is considered miscellaneous revenue.

6 (e) Money paid by the treasurer of state under subsection (b)(3)
7 shall be:

8 (1) deposited in:

9 (A) the county convention and visitor promotion fund; or

10 (B) the county's general fund if the county does not have a
11 convention and visitor promotion fund; and

12 (2) used only for the tourism promotion, advertising, and
13 economic development activities of the county and community.

14 (f) Money received by the division of mental health and addiction
15 under subsections (b)(5) and ~~(c)(5)~~: **(c)(7)**:

16 (1) is annually appropriated to the division of mental health and
17 addiction;

18 (2) shall be distributed to the division of mental health and
19 addiction at times during each state fiscal year determined by the
20 budget agency; and

21 (3) shall be used by the division of mental health and addiction
22 for programs and facilities for the prevention and treatment of
23 addictions to drugs, alcohol, and compulsive gambling, including
24 the creation and maintenance of a toll free telephone line to
25 provide the public with information about these addictions. The
26 division shall allocate at least twenty-five percent (25%) of the
27 money received to the prevention and treatment of compulsive
28 gambling.

29 **(g) Money paid by the treasurer of state under subsection (c)(5)**
30 **and (c)(6) must be used only for the tourism promotion,**
31 **advertising, and economic development activities of the respective**
32 **towns.**

33 **(h) The treasurer of state shall determine the total amount of**
34 **money paid by the treasurer of state under subsection (b)(1), (b)(2),**
35 **and (b)(3) during the state fiscal year 2001. The amount**
36 **determined under this subsection is the base year revenue for each**
37 **city, county, and county convention and visitors bureau or**
38 **promotion fund receiving money under subsection (b)(1), (b)(2),**
39 **and (b)(3). The treasurer of state shall certify the base year**
40 **revenue determined under this subsection to each city, county, and**
41 **county convention and visitors bureau or promotion fund receiving**
42 **money under subsection (b)(1), (b)(2), and (b)(3).**



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(i) For state fiscal years beginning after June 30, 2001, the treasurer of state shall notify the city, county, and county convention and visitors bureau or promotion fund receiving money under subsection (b)(1), (b)(2) on the date that the entity's distributions under subsection (b) equal the entity's base year revenue. An entity may not receive a distribution under subsection (b) after the date of the notification required by this subsection.

(j) After the date of the notification required by subsection (g), the treasurer of state shall pay the remainder of riverboat admissions taxes described in subsection (b)(1), (b)(2), or (b)(3) for a particular entity to the county treasurer of each county that does not have any of the following:

- (1) A riverboat licensed under this article.
- (2) A pari-mutuel horse racing track licensed under IC 4-31.
- (3) A satellite facility offering pari-mutuel pull tabs under IC 4-31-7.5.

The treasurer of state shall make the payments to each county described in this subsection according to the ratio the population of each county bears to the total population of the counties described in this subsection.

(k) For riverboat admissions taxes collected after December 31, 2002, and before January 1, 2004, the amount paid to the Indiana horse racing commission under subsection (b)(6) must be reduced by the following amounts:

- (1) One million dollars (\$1,000,000) that must be paid to the Indiana School for the Blind.
- (2) One million dollars (\$1,000,000) that must be paid to the Indiana School for the Deaf.
- (3) The remainder of admissions taxes described in subsection (b)(6), multiplied by one-third ($1/3$). The amount determined under this subdivision must be paid to the state general fund.

(l) For riverboat admissions taxes collected after December 31, 2003, and before January 1, 2005, the amount paid to the Indiana horse racing commission under subsection (b)(6) must be reduced by the following amounts:

- (1) Two million dollars (\$2,000,000) that must be paid to the Indiana School for the Blind.
- (2) Two million dollars (\$2,000,000) that must be paid to the Indiana School for the Deaf.
- (3) The remainder of admissions taxes described in subsection (b)(6), multiplied by two-thirds ($2/3$). The amount determined under this subdivision must be paid to the state general fund.



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(m) For riverboat admissions taxes collected after December 31, 2004, the amount described in subsection (b)(6) must be paid as follows instead of to the Indiana horse racing commission:

(1) Three million dollars (\$3,000,000) that must be paid to the Indiana School for the Blind.

(2) Three million dollars (\$3,000,000) that must be paid to the Indiana School for the Deaf.

(3) The remainder to the state general fund.

(n) After the Indiana horse racing commission is paid the maximum amount of admissions taxes allowed under subsection (b)(6), the remainder of that part of the admissions tax that is described in subsection (b)(6) shall be paid to the state general fund.

SECTION 61. IC 4-33-13-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) A tax is imposed on the adjusted gross receipts received from gambling games authorized under this article at the rate of twenty percent (20%) of the amount of the adjusted gross receipts set forth in the following table:

Adjusted Gross Receipts

Reported during the Year	Tax Rate
Less than \$100,000,000	20%
At least \$100,000,000 but less than \$150,000,000	22.5%
At least \$150,000,000 but less than \$250,000,000	25%
At least \$250,000,000 but less than \$350,000,000	30%
At least \$350,000,000	35%

(b) The licensed owner shall remit the tax imposed by this chapter to the department before the close of the business day following the day the wagers are made.

(c) The department may require payment under this section to be made by electronic funds transfer (as defined in IC 4-8.1-2-7(e)).

(d) If the department requires taxes to be remitted under this chapter through electronic funds transfer, the department may allow the licensed owner to file a monthly report to reconcile the amounts remitted to the department.

(e) The department may allow taxes remitted under this section to be reported on the same form used for taxes paid under IC 4-33-12.

SECTION 62. IC 4-33-13-5, AS AMENDED BY P.L.273-1999, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. (a) This subsection does not apply to a



1 **riverboat located in a historic preservation district described in**
 2 **IC 4-33-1-1(3) or a riverboat located in a county described in**
 3 **IC 4-33-1-1(1). After funds are appropriated under section 4 of this**
 4 **chapter, each month the treasurer of state shall distribute the tax**
 5 **revenue deposited in the state gaming fund under this chapter to the**
 6 **following:**

7 (1) Twenty-five percent (25%) of the tax revenue remitted by
 8 each licensed owner shall be paid:

9 (A) to the city that is designated as the home dock of the
 10 riverboat from which the tax revenue was collected, in the case
 11 of a city described in IC 4-33-12-6(b)(1)(A); **or**

12 ~~(B) in equal shares to the counties described in IC 4-33-1-1(3);~~
 13 ~~in the case of a riverboat whose home dock is on Patoka Lake;~~
 14 ~~or~~

15 ~~(C) (B)~~ (B) to the county that is designated as the home dock of
 16 the riverboat from which the tax revenue was collected, in the
 17 case of a riverboat whose home dock is not in a city described
 18 in clause (A) or a county described in clause (B); and

19 (2) Seventy-five percent (75%) of the tax revenue remitted by
 20 each licensed owner shall be paid to the build Indiana fund lottery
 21 and gaming surplus account.

22 **(b) This subsection applies only to a riverboat located in a**
 23 **historic preservation district described in IC 4-33-1-1(3). After**
 24 **funds are appropriated under section 4 of this chapter, each month**
 25 **the treasurer of state shall distribute the tax revenue deposited in**
 26 **the state gaming fund under this chapter to the following:**

27 (1) Fifty percent (50%) of the tax revenue remitted by the
 28 licensed owner shall be paid to the build Indiana fund lottery
 29 and gaming surplus account.

30 (2) Twenty-five percent (25%) of the tax revenue remitted by
 31 the licensed owner shall be paid to the historic preservation
 32 district described in IC 4-33-1-1(3).

33 (3) Six percent (6%) of the tax revenue remitted by the
 34 licensed owner shall be paid to the county in which the
 35 historic preservation district described in IC 4-33-1-1(3) is
 36 located.

37 (4) Six percent (6%) of the tax revenue remitted by the
 38 licensed owner shall be paid to the town described in
 39 IC 4-33-1-1(3)(C)(i).

40 (5) Six percent (6%) of the tax revenue remitted by the
 41 licensed owner shall be paid to the town described in
 42 IC 4-33-1-1(3)(C)(ii).



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(6) Three percent (3%) of the tax revenue remitted by the licensed owner shall be paid to the county described in subdivision (3) to be used to make grants to other governmental agencies.

(7) Two percent (2%) of the tax revenue remitted by the licensed owner shall be paid to the tourism commission of the town described in IC 4-33-1-1(3)(C)(i).

(8) Two percent (2%) of the tax revenue remitted by the licensed owner shall be paid to the tourism commission of the town described in IC 4-33-1-1(3)(C)(ii).

(c) This subsection applies only to a riverboat located in a county described in IC 4-33-1-1(1). After funds are appropriated under section 4 of this chapter, the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

(1) The first seven million dollars (\$7,000,000) of tax revenue collected each year shall be deposited in the shoreline environmental trust fund established under IC 36-7-13.5-19.

(2) After the deposits required under subdivision (1) are made, the remaining tax revenues shall be distributed as follows:

(A) Twenty-five percent (25%) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected.

(B) Seventy-five percent (75%) to the build Indiana fund lottery and gaming surplus account.

SECTION 63. IC 4-33-13-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) Money paid to a unit of local government under this chapter:

(1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9, or both;

(2) may not be used to reduce the unit's maximum or actual levy under IC 6-1.1-18.5; and

(3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4.

(b) This chapter does not prohibit the city or county designated as the home dock of the riverboat from entering into agreements with other units of local government in Indiana or in other states to share the city's or county's part of the tax revenue received under this chapter.

(c) Money paid by the treasurer of state under section 5(b)(7)



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1 **and 5(b)(8) of this chapter must be used only for the tourism**
 2 **promotion, advertising, and economic development activities of the**
 3 **respective towns.**

4 SECTION 64. IC 4-33-14-6 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. If the commission
 6 determines that the provisions of this chapter relating to expenditures
 7 and assignments to minority and women's business enterprises have not
 8 been met by a licensee, the commission may suspend, limit, or revoke
 9 the owner's license ~~or fine~~ or impose **a civil penalty** or appropriate
 10 conditions on the licensee to ensure that the goals for expenditures and
 11 assignments to minority and women's business enterprises are met.
 12 However, if a determination is made that a person holding an owner's
 13 license has failed to demonstrate compliance with this chapter, the
 14 person has ninety (90) days from the date of the determination of
 15 noncompliance to comply.

16 SECTION 65. IC 4-33-14-11 IS ADDED TO THE INDIANA
 17 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 18 [EFFECTIVE JULY 1, 2002]: **Sec. 11. The commission shall deposit**
 19 **civil penalties imposed under section 6 of this chapter in the**
 20 **minority and women business participation fund established by**
 21 **section 12 of this chapter.**

22 SECTION 66. IC 4-33-14-12 IS ADDED TO THE INDIANA
 23 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 24 [EFFECTIVE JULY 1, 2002]: **Sec. 12. (a) The minority and women**
 25 **business participation fund is established to assist minority and**
 26 **women business enterprises. The fund shall be administered by the**
 27 **commission. The fund consists of civil penalties imposed by the**
 28 **commission under section 6 of this chapter.**

29 **(b) The expenses of administering the fund shall be paid from**
 30 **money in the fund.**

31 **(c) The treasurer of state shall invest money in the fund not**
 32 **currently needed to meet the obligations of the fund in the same**
 33 **manner as other public money may be invested. Interest that**
 34 **accrues from these investments shall be deposited in the fund.**

35 **(d) Money in the fund at the end of a state fiscal year does not**
 36 **revert to the state general fund.**

37 SECTION 67. IC 4-33-16 IS ADDED TO THE INDIANA CODE
 38 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2002]:

40 **Chapter 16. Gambling Operations in a Historic Preservation**
 41 **District**

42 **Sec. 1. This chapter applies only to a historic preservation**

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1 district described in IC 4-33-1-1(3) and established under
2 IC 36-7-11-4.5.

3 Sec. 2. As used in this chapter, "district" refers to the historic
4 preservation district established under IC 36-7-11-4.5.

5 Sec. 3. As used in this chapter, "historic preservation
6 commission" refers to the historic preservation commission
7 established under IC 36-7-11-4.5.

8 Sec. 4. As used in this chapter, "operating expenses" means the
9 following:

10 (1) Money spent by the historic preservation commission in
11 the exercise of the historic preservation commission's powers
12 under this article, IC 36-7-11-23, and IC 36-7-11-24 as limited
13 by section 5 of this chapter.

14 (2) Management fees paid to the riverboat's licensed
15 operating agent.

16 Sec. 5. A riverboat authorized under this article for a historic
17 preservation district described in IC 4-33-1-1(3) must be located on
18 real property owned by the district that is located between the two
19 (2) historic resort hotels.

20 Sec. 6. The commission shall grant an owner's license to the
21 historic preservation commission upon the fulfillment of the
22 following requirements:

23 (1) Riverboat gaming is approved in a public question.

24 (2) The commission completes the investigations required
25 under IC 4-33-6.

26 Sec. 7. The historic preservation commission shall contract with
27 another person to operate a riverboat located in the district. The
28 person must be a licensed operating agent under IC 4-33-6.5.

29 Sec. 8. The net income derived from the riverboat after the
30 payment of all operating expenses shall be deposited in the French
31 Lick and West Baden community trust fund established under
32 IC 36-7-11.4.

33 Sec. 9. After deducting any tax revenue received under
34 IC 4-33-12 and IC 4-33-13 that:

35 (1) is expended by the historic preservation commission to
36 carry out the historic preservation commission's duties and
37 powers under this article, IC 36-7-11-3, and IC 36-7-11-24; or

38 (2) is pledged to bonds, leases, or other obligations under
39 IC 5-1-14-4;

40 the historic preservation commission shall deposit the remaining
41 tax revenue in the French Lick and West Baden community trust
42 fund established under IC 36-7-11.4.



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SECTION 68. IC 4-33-17 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 17. Riverboat Safety Standards

Sec. 1. A riverboat licensed under this article that:

- (1) is a permanently moored vessel; and
- (2) is not under the jurisdiction of the United States Coast Guard;

must comply with the safety requirements adopted by the commission. The commission shall consult with all applicable state and federal agencies to ensure compliance with standards for safety, design, construction, inspection, survey, and the moorings of a continuously moored vessel.

Sec. 2. The commission may adopt additional safety requirements to promote the safety of persons entering a riverboat.

Sec. 3. A licensee may not conduct gaming at a riverboat until all applicable standards have been met and the commission approves gaming on the riverboat.

Sec. 4. (a) A riverboat must undergo an inspection annually to determine the riverboat's continuing compliance with the safety requirements adopted by the commission.

(b) A riverboat must:

- (1) have approved before licensure and annually thereafter a plan for firefighting and for the protection and evacuation of personnel; and
- (2) have a staff sufficiently trained as required to execute the plan.

SECTION 69. IC 4-33-18 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 18. Reimbursement of Health Care Costs

Sec. 1. A licensed owner shall reimburse state and local governments the costs of health care services provided to the licensed owner's riverboat employees and the dependents of the riverboat employees and paid for under:

- (1) Medicaid (IC 12-15);
- (2) the children's health insurance program (IC 12-17.6);
- (3) the hospital care for the indigent program (IC 12-16.1); or
- (4) township poor relief (IC 12-20).

Sec. 2. The state or local governmental entity paying the costs of the health care services provided to the riverboat employee shall submit a statement of the costs for which the entity seeks



reimbursement to the licensed owner within thirty (30) days after paying the costs.

Sec. 3. If the licensed owner fails to pay the amount due on the statement described in section 2 of this chapter within thirty (30) days after the licensed owner's receipt of the statement, interest shall accrue on the amount due at the rate of eight percent (8%) per annum.

Sec. 4. A licensed owner is relieved of the duty to reimburse a state or local governmental entity of the costs described in section 1 of this chapter if the licensed owner demonstrates to the satisfaction of the governmental entity that the licensed owner has made health insurance available to the riverboat employee and the riverboat employee's dependents at a total cost, including premiums, deductibles, and copayments, to the riverboat employee of less than three percent (3%) of the riverboat employee's gross income.

Sec. 5. A licensed owner may not retaliate or discriminate against a riverboat employee that seeks or receives health care services that incur costs that may be reimbursed under this chapter.

Sec. 6. If a riverboat employee is the object of an act of retaliation or discrimination by the licensed owner that is prohibited by section 5 of this chapter, the riverboat employee shall have a right of action against the licensed owner for compensatory and punitive damages. A riverboat employee is entitled to recover reasonable attorney's fees if the employee obtains a judgment against the licensed owner under this section.

SECTION 70. IC 5-14-3-4, AS AMENDED BY P.L.201-2001, SECTION 1, AND AS AMENDED BY P.L.271-2001, SECTION 1, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. (a) The following public records are excepted from section 3 of this chapter and may not be disclosed by a public agency, unless access to the records is specifically required by a state or federal statute or is ordered by a court under the rules of discovery:

- (1) Those declared confidential by state statute.
- (2) Those declared confidential by rule adopted by a public agency under specific authority to classify public records as confidential granted to the public agency by statute.
- (3) Those required to be kept confidential by federal law.
- (4) Records containing trade secrets.
- (5) Confidential financial information obtained, upon request,



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from a person. However, this does not include information that is filed with or received by a public agency pursuant to state statute.

(6) Information concerning research, including actual research documents, conducted under the auspices of an institution of higher education, including information:

(A) concerning any negotiations made with respect to the research; and

(B) received from another party involved in the research.

(7) Grade transcripts and license examination scores obtained as part of a licensure process.

(8) Those declared confidential by or under rules adopted by the supreme court of Indiana.

(9) Patient medical records and charts created by a provider, unless the patient gives written consent under IC 16-39.

(10) Application information declared confidential by the twenty-first century research and technology fund board under IC 4-4-5.1.

(11) The following personal information concerning a customer of a municipally owned utility (as defined in IC 8-1-2-1):

(A) Telephone number.

(B) Social Security number.

(C) Address.

~~(H)~~ **(12)** *A photograph, a video recording, or an audio recording of an autopsy, except as provided in IC 36-2-14-10.*

(13) Information submitted to the Indiana gaming commission under IC 4-33-8-5.

(b) Except as otherwise provided by subsection (a), the following public records shall be excepted from section 3 of this chapter at the discretion of a public agency:

(1) Investigatory records of law enforcement agencies. However, certain law enforcement records must be made available for inspection and copying as provided in section 5 of this chapter.

(2) The work product of an attorney representing, pursuant to state employment or an appointment by a public agency:

(A) a public agency;

(B) the state; or

(C) an individual.

(3) Test questions, scoring keys, and other examination data used in administering a licensing examination, examination for employment, or academic examination before the examination is given or if it is to be given again.

(4) Scores of tests if the person is identified by name and has not

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consented to the release of his scores.

(5) The following:

(A) Records relating to negotiations between the department of commerce, the Indiana development finance authority, the film commission, the Indiana business modernization and technology corporation, or economic development commissions with industrial, research, or commercial prospects, if the records are created while negotiations are in progress.

(B) Notwithstanding clause (A), the terms of the final offer of public financial resources communicated by the department of commerce, the Indiana development finance authority, the film commission, the Indiana business modernization and technology corporation, or economic development commissions to an industrial, a research, or a commercial prospect shall be available for inspection and copying under section 3 of this chapter after negotiations with that prospect have terminated.

(C) When disclosing a final offer under clause (B), the department of commerce shall certify that the information being disclosed accurately and completely represents the terms of the final offer.

(6) Records that are intra-agency or interagency advisory or deliberative material, including material developed by a private contractor under a contract with a public agency, that are expressions of opinion or are of a speculative nature, and that are communicated for the purpose of decision making.

(7) Diaries, journals, or other personal notes serving as the functional equivalent of a diary or journal.

(8) Personnel files of public employees and files of applicants for public employment, except for:

(A) the name, compensation, job title, business address, business telephone number, job description, education and training background, previous work experience, or dates of first and last employment of present or former officers or employees of the agency;

(B) information relating to the status of any formal charges against the employee; and

(C) information concerning disciplinary actions in which final action has been taken and that resulted in the employee being disciplined or discharged.

However, all personnel file information shall be made available

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to the affected employee or his representative. This subdivision does not apply to disclosure of personnel information generally on all employees or for groups of employees without the request being particularized by employee name.

(9) Minutes or records of hospital medical staff meetings.

(10) Administrative or technical information that would jeopardize a recordkeeping or security system.

(11) Computer programs, computer codes, computer filing systems, and other software that are owned by the public agency or entrusted to it and portions of electronic maps entrusted to a public agency by a utility.

(12) Records specifically prepared for discussion or developed during discussion in an executive session under IC 5-14-1.5-6.1. However, this subdivision does not apply to that information required to be available for inspection and copying under subdivision (8).

(13) The work product of the legislative services agency under personnel rules approved by the legislative council.

(14) The work product of individual members and the partisan staffs of the general assembly.

(15) The identity of a donor of a gift made to a public agency if:
 (A) the donor requires nondisclosure of his identity as a condition of making the gift; or
 (B) after the gift is made, the donor or a member of the donor's family requests nondisclosure.

(16) Library or archival records:
 (A) which can be used to identify any library patron; or
 (B) deposited with or acquired by a library upon a condition that the records be disclosed only:
 (i) to qualified researchers;
 (ii) after the passing of a period of years that is specified in the documents under which the deposit or acquisition is made; or
 (iii) after the death of persons specified at the time of the acquisition or deposit.

However, nothing in this subdivision shall limit or affect contracts entered into by the Indiana state library pursuant to IC 4-1-6-8.

(17) The identity of any person who contacts the bureau of motor vehicles concerning the ability of a driver to operate a motor vehicle safely and the medical records and evaluations made by the bureau of motor vehicles staff or members of the driver

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1 licensing advisory committee. However, upon written request to
 2 the commissioner of the bureau of motor vehicles, the driver must
 3 be given copies of the driver's medical records and evaluations
 4 that concern the driver.

5 (18) School safety and security measures, plans, and systems,
 6 including emergency preparedness plans developed under 511
 7 IAC 6.1-2-2.5.

8 (c) Notwithstanding section 3 of this chapter, a public agency is not
 9 required to create or provide copies of lists of names and addresses,
 10 unless the public agency is required to publish such lists and
 11 disseminate them to the public pursuant to statute. However, if a public
 12 agency has created a list of names and addresses, it must permit a
 13 person to inspect and make memoranda abstracts from the lists unless
 14 access to the lists is prohibited by law. The following lists of names and
 15 addresses may not be disclosed by public agencies to commercial
 16 entities for commercial purposes and may not be used by commercial
 17 entities for commercial purposes:

18 (1) A list of employees of a public agency.

19 (2) A list of persons attending conferences or meetings at a state
 20 institution of higher education or of persons involved in programs
 21 or activities conducted or supervised by the state institution of
 22 higher education.

23 (3) A list of students who are enrolled in a public school
 24 corporation if the governing body of the public school corporation
 25 adopts a policy:

26 (A) prohibiting the disclosure of the list to commercial entities
 27 for commercial purposes; or

28 (B) specifying the classes or categories of commercial entities
 29 to which the list may not be disclosed or by which the list may
 30 not be used for commercial purposes.

31 A policy adopted under subdivision (3) must be uniform and may not
 32 discriminate among similarly situated commercial entities.

33 (d) Nothing contained in subsection (b) shall limit or affect the right
 34 of a person to inspect and copy a public record required or directed to
 35 be made by any statute or by any rule of a public agency.

36 (e) Notwithstanding any other law, a public record that is classified
 37 as confidential, other than a record concerning an adoption, shall be
 38 made available for inspection and copying seventy-five (75) years after
 39 the creation of that record.

40 (f) Notwithstanding subsection (e) and section 7 of this chapter:

41 (1) public records subject to IC 5-15 may be destroyed only in
 42 accordance with record retention schedules under IC 5-15; or

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(2) public records not subject to IC 5-15 may be destroyed in the ordinary course of business.

SECTION 71. IC 6-8.1-1-1, AS AMENDED BY P.L.151-2001, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. "Listed taxes" or "taxes" includes only **the pari-mutuel pull tab taxes (IC 4-31-7.5-11 and IC 4-31-7.5-13)**; the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the riverboat admissions tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13); the gross income tax (IC 6-2.1); the state gross retail and use taxes (IC 6-2.5); the adjusted gross income tax (IC 6-3); the supplemental net income tax (IC 6-3-8); the county adjusted gross income tax (IC 6-3.5-1.1); the county option income tax (IC 6-3.5-6); the county economic development income tax (IC 6-3.5-7); the municipal option income tax (IC 6-3.5-8); the auto rental excise tax (IC 6-6-9); the bank tax (IC 6-5-10); the savings and loan association tax (IC 6-5-11); the production credit association tax (IC 6-5-12); the financial institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); the alternative fuel permit fee (IC 6-6-2.1); the special fuel tax (IC 6-6-2.5); the motor carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a reciprocal agreement under IC 6-8.1-3; the motor vehicle excise tax (IC 6-6-5); the commercial vehicle excise tax (IC 6-6-5.5); the hazardous waste disposal tax (IC 6-6-6.6); the cigarette tax (IC 6-7-1); the beer excise tax (IC 7.1-4-2); the liquor excise tax (IC 7.1-4-3); the wine excise tax (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5); the malt excise tax (IC 7.1-4-5); the petroleum severance tax (IC 6-8-1); the various innkeeper's taxes (IC 6-9); the various county food and beverage taxes (IC 6-9); the county admissions tax (IC 6-9-13 and IC 6-9-28); the oil inspection fee (IC 16-44-2); the emergency and hazardous chemical inventory form fee (IC 6-6-10); the penalties assessed for oversize vehicles (IC 9-20-3 and IC 9-30); the fees and penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-30); the underground storage tank fee (IC 13-23); the solid waste management fee (IC 13-20-22); and any other tax or fee that the department is required to collect or administer.

SECTION 72. IC 34-24-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. **(a)** If a person suffers a pecuniary loss as a result of a violation of IC 35-43, IC 35-42-3-3, IC 35-42-3-4, or IC 35-45-9, the person may bring a civil action against the person who caused the loss for the following:

(1) **Except as provided in subsection (b)**, an amount not to exceed three (3) times the actual damages of the person suffering the loss.



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(2) The costs of the action.

(3) A reasonable attorney's fee.

(4) Actual travel expenses that are not otherwise reimbursed under subdivisions (1) through (3) and are incurred by the person suffering loss to:

(A) have the person suffering loss or an employee or agent of that person file papers and attend court proceedings related to the recovery of a judgment under this chapter; or

(B) provide witnesses to testify in court proceedings related to the recovery of a judgment under this chapter.

(5) A reasonable amount to compensate the person suffering loss for time used to:

(A) file papers and attend court proceedings related to the recovery of a judgment under this chapter; or

(B) travel to and from activities described in clause (A).

(6) Actual direct and indirect expenses incurred by the person suffering loss to compensate employees and agents for time used to:

(A) file papers and attend court proceedings related to the recovery of a judgment under this chapter; or

(B) travel to and from activities described in clause (A).

(7) All other reasonable costs of collection.

(b) The owner of a riverboat licensed under IC 4-33, or the owner's assignee, who suffers a pecuniary loss as the result of a violation of IC 35-43-5-5 is entitled to the actual damages resulting from the violation. In addition, the owner or the owner's assignee is entitled to the amounts described in subsection (a)(2) through (a)(7).

SECTION 73. IC 35-45-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. (a) Except as provided in subsection (b), a person who:

(1) knowingly or intentionally owns, manufactures, possesses, buys, sells, rents, leases, repairs, or transports a gambling device, or offers or solicits an interest in a gambling device;

(2) before a race, game, contest, or event on which gambling may be conducted, knowingly or intentionally transmits or receives gambling information by any means, or knowingly or intentionally installs or maintains equipment for the transmission or receipt of gambling information; or

(3) having control over the use of a place, knowingly or intentionally permits another person to use the place for professional gambling;



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commits promoting professional gambling, a Class D felony.

(b) Subsection (a)(1) does not apply to a boat manufacturer who:

(1) transports or possesses a gambling device solely for the purpose of installing that device in a boat that is to be sold and transported to a buyer; and

(2) does not display the gambling device to the general public or make the device available for use in Indiana.

(c) When a public utility is notified by a law enforcement agency acting within its jurisdiction that any service, facility, or equipment furnished by it is being used or will be used to violate this section, it shall discontinue or refuse to furnish that service, facility, or equipment, and no damages, penalty, or forfeiture, civil or criminal, may be found against a public utility for an act done in compliance with such a notice. This subsection does not prejudice the right of a person affected by it to secure an appropriate determination, as otherwise provided by law, that the service, facility, or equipment should not be discontinued or refused, or should be restored.

(d) Subsection (a)(1) does not apply to a person who:

(1) possesses an antique slot machine;

(2) restricts display and use of the antique slot machine to the person's private residence; and

(3) does not use the antique slot machine for profit.

(e) As used in this section, "antique slot machine" refers to a slot machine that is:

(1) at least forty (40) years old; and

(2) possessed and used for decorative, historic, or nostalgic purposes.

SECTION 74. IC 35-45-5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. This chapter does not apply to the publication or broadcast of an advertisement, a list of prizes, or other information concerning:

(1) pari-mutuel wagering on horse races or a lottery authorized by the law of any state; ~~or~~

(2) a game of chance operated in accordance with IC 4-32; **or**

(3) a pari-mutuel pull tab game operated in accordance with IC 4-31-7.5.

SECTION 75. IC 35-45-5-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 11. This chapter does not apply to the sale of pari-mutuel pull tab tickets authorized by IC 4-31-7.5.**

SECTION 76. IC 36-7-11-4.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4.3. (a) An ordinance

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that establishes a historic preservation commission under section 4 or 4.5 of this chapter may authorize the staff of the commission, on behalf of the commission, to grant or deny an application for a certificate of appropriateness.

(b) An ordinance adopted under this section must specify the types of applications that the staff of the commission is authorized to grant or deny. The staff may not be authorized to grant or deny an application for a certificate of appropriateness for the following:

- (1) The demolition of a building.
- (2) The moving of a building.
- (3) The construction of an addition to a building.
- (4) The construction of a new building.

SECTION 77. IC 36-7-11-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 4.5. (a) This section applies to the following towns located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000):**

- (1) A town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200).
- (2) A town having a population of less than one thousand five hundred (1,500).

(b) The towns described in subsection (a) may enter an interlocal agreement under IC 36-1-7 to establish a joint historic preservation district under this chapter. An ordinance entering the interlocal agreement must provide for the following membership of the joint historic preservation district:

- (1) A member of the town council of a town described in subsection (a)(1).
- (2) A member of the town council of a town described in subsection (a)(2).
- (3) The owner of a historic resort hotel located in a town described in subsection (a)(1) or the owner's designee.
- (4) The owner of a historic resort hotel located in a town described in subsection (a)(2) or the owner's designee.
- (5) An individual appointed by the Historic Landmarks Foundation of Indiana.
- (6) A resident of a town described in subsection (a)(1).
- (7) A resident of a town described in subsection (a)(2).

(c) A member of the commission described in subsection (b)(1) or (b)(2) shall serve for the duration of the member's term of office



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on the town council. The members described in subsection (b)(5) through (b)(7) shall each serve for a term of three (3) years. However, the terms of the original voting members may be for one (1) year, two (2) years, or three (3) years in order for the terms to be staggered, as provided by the ordinance. A vacancy shall be filled for the duration of the term.

(d) The ordinance may provide qualifications for members of the commission described in subsection (b)(6) and (b)(7). However, members must be residents of the unit who are interested in the preservation and development of historic areas. The members of the commission should include professionals in the disciplines of architectural history, planning, and other disciplines related to historic preservation, to the extent that those professionals are available in the community. The ordinance may also provide for the appointment of advisory members that the legislative body considers appropriate.

(e) Each member of the commission must, before beginning the discharge of the duties of the member's office, do the following:

(1) Take an oath that the member will faithfully execute the duties of the member's office according to Indiana law and rules adopted under Indiana law.

(2) Provide a bond to the state that:

(A) is approved by the Indiana gaming commission;

(B) is for twenty-five thousand dollars (\$25,000); and

(C) is, after being executed and approved, recorded in the office of the secretary of state.

(f) The ordinance may:

(1) designate an officer or employee of a town described in subsection (a) to act as administrator;

(2) permit the commission to appoint an administrator who shall serve without compensation except reasonable expenses incurred in the performance of the administrator's duties; or

(3) provide that the commission act without the services of an administrator.

(g) Members of the commission shall serve without compensation except for reasonable expenses incurred in the performance of their duties.

(h) The commission shall elect from its membership a chairperson and vice chairperson, who shall serve for one (1) year and may be reelected.

(i) The commission shall adopt rules consistent with this chapter for the transaction of its business. The rules must include the time



1 and place of regular meetings and a procedure for the calling of
 2 special meetings. All meetings of the commission must be open to
 3 the public, and a public record of the commission's resolutions,
 4 proceedings, and actions must be kept. If the commission has an
 5 administrator, the administrator shall act as the commission's
 6 secretary. If the commission does not have an administrator, the
 7 commission shall elect a secretary from its membership.

8 (j) The commission shall hold regular meetings, at least
 9 monthly, except when it has no business pending.

10 (k) A decision of the commission is subject to judicial review
 11 under IC 4-21.5-5 as if it were a decision of a state agency.

12 (l) Money acquired by the historic preservation commission:

13 (1) is subject to the laws concerning the deposit and
 14 safekeeping of public money; and

15 (2) must be deposited under the advisory supervision of the
 16 state board of finance in the same way and manner, at the
 17 same rate of interest, and under the same restrictions as other
 18 state money.

19 (m) The money of the historic preservation commission and the
 20 accounts of each officer, employee, or other person entrusted by
 21 law with the raising, disposition, or expenditure of the money or
 22 part of the money are subject to the following:

23 (1) Examination by the state board of accounts.

24 (2) The same penalties and the same provision for publicity
 25 that are provided by law for state money and state officers.

26 SECTION 78. IC 36-7-11-4.6 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4.6. An ordinance that
 28 establishes a historic preservation commission under section 4 or 4.5
 29 of this chapter may:

30 (1) authorize the commission to:

31 (A) acquire by purchase, gift, grant, bequest, devise, or lease
 32 any real or personal property, including easements, that is
 33 appropriate for carrying out the purposes of the commission;

34 (B) hold title to real and personal property; and

35 (C) sell, lease, rent, or otherwise dispose of real and personal
 36 property at a public or private sale on the terms and conditions
 37 that the commission considers best; and

38 (2) establish procedures that the commission must follow in
 39 acquiring and disposing of property.

40 SECTION 79. IC 36-7-11-23 IS ADDED TO THE INDIANA
 41 CODE AS A NEW SECTION TO READ AS FOLLOWS
 42 [EFFECTIVE JULY 1, 2002]: Sec. 23. (a) This section applies to a



1 historic preservation commission established under section 4.5 of
2 this chapter.

3 (b) In addition to the commission's other duties set forth in this
4 chapter, the commission shall do the following:

5 (1) Designate a fiscal agent who must be the fiscal officer of
6 one (1) of the towns described in section 4.5(a) of this chapter.

7 (2) Employ professional staff to assist the commission in
8 carrying out its duties under this section.

9 (3) Engage consultants, attorneys, accountants, and other
10 professionals necessary to carry out the commission's duties
11 under this section.

12 (4) Own the riverboat license described in IC 4-33-6-1(a)(6).

13 (5) Develop requests for proposals for persons interested in
14 operating and managing the riverboat authorized under
15 IC 4-33 on behalf of the commission as the riverboat's
16 licensed operating agent.

17 (6) Recommend a person to the Indiana gaming commission
18 that the historic preservation commission believes will:

19 (A) promote the most economic development in the area
20 surrounding the historic preservation district;

21 (B) best meet the criteria set forth in IC 4-33-6-4; and

22 (C) best serve the interests of the citizens of Indiana.

23 However, the gaming commission is not bound by the
24 recommendation of the historic preservation commission.

25 SECTION 80. IC 36-7-11-24 IS ADDED TO THE INDIANA
26 CODE AS A NEW SECTION TO READ AS FOLLOWS
27 [EFFECTIVE JULY 1, 2002]: Sec. 24. (a) This section applies to a
28 historic preservation commission established under section 4.5 of
29 this chapter.

30 (b) In addition to the commission's other powers set forth in this
31 chapter, the commission may do the following:

32 (1) Enter contracts to carry out the commission's duties under
33 section 23 of this chapter, including contracts for the
34 construction, maintenance, operation, and management of a
35 riverboat to be operated in the historic preservation district
36 under IC 4-33.

37 (2) Provide recommendations to the Indiana gaming
38 commission concerning the operation and management of a
39 riverboat to be operated in the historic preservation district
40 under IC 4-33.

41 (c) This section may not be construed to limit the powers of the
42 Indiana gaming commission with respect to the administration and

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1 regulation of riverboat gaming under IC 4-33.

2 SECTION 81. IC 36-7-11.4 IS ADDED TO THE INDIANA CODE
3 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2002]:

5 **Chapter 11.4. French Lick and West Baden Community Trust**
6 **Fund**

7 **Sec. 1. This section applies to a historic preservation district**
8 **established under IC 36-7-11-4.5.**

9 **Sec. 2. As used in this chapter, "fund" refers to the French Lick**
10 **and West Baden community trust fund established by section 4 of**
11 **this chapter.**

12 **Sec. 3. As used in this chapter, "historic preservation**
13 **commission" refers to the historic preservation commission**
14 **established under IC 36-7-11-4.5.**

15 **Sec. 4. (a) The French Lick and West Baden community trust**
16 **fund is established.**

17 **(b) The fund consists of the following:**

- 18 **(1) Money disbursed from the historic preservation**
- 19 **commission.**
- 20 **(2) Donations.**
- 21 **(3) Interest and dividends on assets of the fund.**
- 22 **(4) Money transferred to the fund from other funds.**
- 23 **(5) Money from any other source.**

24 **Sec. 5. (a) The historic preservation commission shall manage**
25 **and develop the fund and the assets of the fund.**

26 **(b) The historic preservation commission shall do the following:**

- 27 **(1) Establish a policy for the investment of the fund's assets.**
- 28 **(2) Perform other tasks consistent with prudent management**
- 29 **and development of the fund.**

30 **Sec. 6. (a) Subject to the investment policy of the board, the**
31 **fiscal agent appointed by the historic preservation commission**
32 **shall administer the fund and invest the money in the fund.**

33 **(b) The expenses of administering the fund and implementing**
34 **this chapter shall be paid from the fund.**

35 **(c) Money in the fund that is not currently needed to meet the**
36 **obligations of the fund may be invested in the same manner as**
37 **other public funds are invested. Interest that accrues from these**
38 **investments shall be deposited in the fund.**

39 **(d) Money in the fund at the end of a state fiscal year does not**
40 **revert to the state general fund.**

41 **Sec. 7. (a) The historic preservation commission has the sole**
42 **authority to allocate money from the fund for the following**

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purposes:

(1) The preservation, restoration, maintenance, operation, and development of the French Lick historic resort hotel.

(2) The preservation, restoration, maintenance, operation, and development of the West Baden historic resort hotel.

(3) Infrastructure projects and other related improvements in the surrounding community.

(b) Money allocated under subsection (a)(1) and (a)(2) must be divided equally between the two (2) historic resort hotels.

Sec. 8. The historic preservation commission shall prepare an annual report concerning the fund and submit the report to the legislative council before October 1 of each year. The report is a public record.

SECTION 82. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2002]: IC 4-33-2-8; IC 4-33-4-19; IC 4-33-9-2; IC 4-33-12-2; IC 4-33-15.

SECTION 83. [EFFECTIVE JULY 1, 2002] (a) The Indiana gaming commission shall adopt the emergency rules required under IC 4-31-7.5-15, as added by this act, before September 1, 2002.

(b) This SECTION expires December 31, 2002.

SECTION 84. [EFFECTIVE UPON PASSAGE] (a) This SECTION applies to a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(b) The Indiana gaming commission may not issue a license under this article to allow a riverboat to operate in the county unless the voters of:

(1) a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200) located in the county; and

(2) a town having a population of less than one thousand five hundred (1,500) located in the county;

have approved gambling on a riverboat in the county.

(c) Notwithstanding IC 4-33-6-19.5, as added by this act, the county election board shall place the following question on the ballot in the towns described in subsection (b) during the primary election held on May 7, 2002:

"Shall a license be issued to allow riverboat gambling in the town of _____?"

(d) Notwithstanding IC 4-33-6-19.5, as added by this act, the registered voters of the towns described in subsection (b) are not



1 required to petition the clerk of the circuit court to place the public
2 question described in subsection (c) on the ballot.

3 (e) A public question under this SECTION shall be placed on
4 the ballot in accordance with IC 3-10-9.

5 (f) If a public question is placed on the ballot under this
6 SECTION and the voters of the town do not vote in favor of
7 allowing riverboat gambling under IC 4-33, another public
8 question regarding riverboat gambling may not be held in the town
9 for at least two (2) years.

10 (g) The clerk of the circuit court of a county holding an election
11 under this SECTION shall certify the results determined under
12 IC 3-12-4-9 to the commission and the department of state revenue.

13 (h) This SECTION expires July 2, 2002.

14 SECTION 85. [EFFECTIVE JULY 1, 2002] (a) IC 4-33-12-1 and
15 IC 4-33-12-6, both as amended by this act, apply to admissions
16 taxes collected after June 30, 2002.

17 (b) IC 4-33-12-1.3, as added by this act, applies to admissions
18 taxes collected after June 30, 2002.

19 (c) IC 4-33-13-1 and IC 4-33-13-5, both as amended by this act,
20 apply to adjusted gross receipts reported after June 30, 2002.

21 SECTION 86. An emergency is declared for this act.

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SENATE MOTION

Mr. President: I move that Senator Lutz L be added as coauthor of Senate Bill 333.

NUGENT

SENATE MOTION

Mr. President: I move that Senators Landske, Paul, Harrison, Alting, Meeks C, Waterman and Wheeler be added as coauthors of Senate Bill 333.

NUGENT

SENATE MOTION

Mr. President: I move that Senator Nugent be removed as author of Senate Bill 333 and that Senator Server be substituted therefor.

NUGENT

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COMMITTEE REPORT

Mr. President: The Senate Committee on Commerce and Consumer Affairs, to which was referred Senate Bill No. 333, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 1 through 17.

Delete pages 2 through 5.

Page 6, delete lines 1 through 32, begin a new paragraph and insert:
"SECTION 1. IC 4-31-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. The ~~purpose~~ **purposes** of this article ~~is~~ **are**:

- (1) to permit pari-mutuel wagering on horse races in Indiana;
- (2) **to permit the sale of pari-mutuel pull tabs at racetracks in Indiana;** and
- (3) to ensure that **the sale of pari-mutuel pull tabs and** pari-mutuel wagering on horse races in Indiana will be conducted with the highest of standards and the greatest level of integrity.

SECTION 2. IC 4-31-2-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1.5. "Adjusted gross receipts" means:

- (1) the total of all cash and property (including checks received by a permit holder whether collected or not) received by a permit holder from pari-mutuel pull tab sales; minus
- (2) the total of:
 - (A) all cash paid out as winnings for pari-mutuel pull tabs to patrons; and
 - (B) uncollectible pari-mutuel pull tab receivables, not to exceed the lesser of:
 - (i) a reasonable provision for uncollectible patron checks received from pari-mutuel pull tab sales; or
 - (ii) two percent (2%) of the total of all sums, including checks, whether collected or not, less the amount paid out as winnings for pari-mutuel pull tabs to patrons.

For purposes of this section, a counter or personal check that is invalid or unenforceable under this article is considered cash received by the permit holder from pari-mutuel pull tab sales.

SECTION 3. IC 4-31-2-11.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 11.5. "Pari-mutuel pull tab" means a game offered to the public in which a person who purchases a ticket has the opportunity to share in a prize pool, multiple prize pools, or a



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shared prize pool consisting of the total amount wagered in the game minus deductions by the permit holder selling the pari-mutuel pull tab and other deductions either permitted or required by law.

SECTION 4. IC 4-31-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 9. The commission may:

(1) adopt rules under IC 4-22-2, including emergency rules under IC 4-22-2-37.1, to implement this article, including rules that prescribe:

- (A) the forms of wagering that are permitted;
- (B) the number of races;
- (C) the procedures for wagering;
- (D) the wagering information to be provided to the public;
- (E) **the hours during which a racetrack may sell pari-mutuel pull tabs under IC 4-31-7.5;**
- (F) fees for the issuance and renewal of:
 - (i) permits under IC 4-31-5;
 - (ii) satellite facility licenses under IC 4-31-5.5; and
 - (iii) licenses for racetrack personnel and racing participants under IC 4-31-6;

~~(F)~~ (G) investigative fees;

~~(G)~~ (H) fines and penalties; and

~~(H)~~ (I) any other regulation that the commission determines is in the public interest in the conduct of recognized meetings and wagering on horse racing in Indiana;

(2) appoint employees in the manner provided by IC 4-15-2 and fix their compensation, subject to the approval of the budget agency under IC 4-12-1-13;

(3) enter into contracts necessary to implement this article; and

(4) receive and consider recommendations from an advisory development committee established under IC 4-31-11.

SECTION 5. IC 4-31-5-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15. **Except as provided in IC 4-31-7.5**, any fees or penalties collected by the commission under ~~IC 4-31-3-9(1)(E)~~ **IC 4-31-3-9(1)(F)** through ~~IC 4-31-3-9(1)(G)~~ **IC 4-31-3-9(1)(H)** shall be paid into the state general fund.

SECTION 6. IC 4-31-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) A person holding a permit to conduct a horse racing meeting or a license to operate a satellite facility may provide a place in the racing meeting grounds or enclosure or the satellite facility at which the person may conduct and supervise the



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pari-mutuel system of wagering by patrons of legal age on the horse races conducted or simulcast by the person. The person may not permit or use:

- (1) another place other than that provided and designated by the person; or
- (2) another method or system of betting or wagering. **However, a person holding a permit to conduct a horse racing meeting may permit wagering on pari-mutuel pull tabs at the person's race track as permitted by IC 4-31-7.5.**

(b) Except as provided in section 7 of this chapter and IC 4-31-5.5, the pari-mutuel system of wagering may not be conducted on any races except the races at the racetrack, grounds, or enclosure for which the person holds a permit.

SECTION 7. IC 4-31-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) A person less than ~~eighteen (18)~~ **twenty-one (21)** years of age may not wager at a horse racing meeting.

(b) A person less than ~~seventeen (17)~~ **twenty-one (21)** years of age may not enter the grandstand, clubhouse, or similar areas of a racetrack at which wagering is permitted unless accompanied by a person who is at least twenty-one (21) years of age.

(c) A person less than ~~eighteen (18)~~ **twenty-one (21)** years of age may not enter a satellite facility.

SECTION 8. IC 4-31-7.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 7.5. Pari-Mutuel Pull Tabs

Sec. 1. (a) This chapter applies only to the sale of pari-mutuel pull tabs by a person who holds a permit to conduct a pari-mutuel horse racing meeting issued under IC 4-31-5.

(b) This chapter does not apply to the sale of pull tabs by a qualified organization (as defined in IC 4-32-6-20) under IC 4-32.

Sec. 2. A pari-mutuel pull tab game must be conducted in the following manner:

- (1) Each set of tickets must have a predetermined:**
 - (A) total purchase price; and**
 - (B) amount of prizes.**
- (2) Randomly ordered pari-mutuel pull tab tickets may be distributed from an approved location or from a distribution device to:**
 - (A) the permit holder at the permit holder's racetrack or satellite facility, or both; or**



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(B) a terminal or device of the permit holder at the permit holder's racetrack or satellite facility, or both.

(3) A pari-mutuel pull tab ticket must be presented to a player in the form of a paper ticket or display on a terminal or device.

(4) Game results must be initially covered or otherwise concealed from view on the pari-mutuel pull tab ticket, terminal, or device so that the number, letter, symbol, or set of numbers, letters, or symbols cannot be seen until the concealing medium is removed.

(5) A winner is identified after the display of the game results when a player removes the concealing medium of the pari-mutuel pull tab ticket or display on a terminal or device.

(6) A winner shall receive the prize or prizes posted or displayed for the game from the permit holder.

Sec. 3. A person less than twenty-one (21) years of age may not purchase a pari-mutuel pull tab ticket.

Sec. 4. The sale price of a pari-mutuel pull tab ticket may not exceed ten dollars (\$10).

Sec. 5. (a) The sale, purchase, and redemption of pari-mutuel pull tab tickets are limited to a live pari-mutuel horse racing facility operated by a permit holder under a recognized meeting permit first issued before January 1, 2002.

(b) Pari-mutuel pull tab tickets may not be sold, purchased, or redeemed at any of the locations described in this section until two (2) unaffiliated permit holders operate live pari-mutuel horse racing facilities at two (2) separate locations.

(c) A permit holder may not install more than seven hundred (700) pull tab terminals or devices on the premises of the permit holder's live pari-mutuel horse racing facility.

Sec. 6. The number and size of the prizes in a pari-mutuel pull tab game must be finite but may not be limited.

Sec. 7. A list of prizes for winning pari-mutuel pull tab tickets must be posted or displayed at a location where the tickets are sold.

Sec. 8. A permit holder may close a pari-mutuel pull tab game at any time.

Sec. 9. A terminal or device selling pari-mutuel pull tab tickets may be operated by a player without the assistance of the permit holder for the sale and redemption of pari-mutuel pull tab tickets.

Sec. 10. A terminal or device selling pari-mutuel pull tab tickets may not dispense coins or currency as prizes for winning tickets. Prizes awarded by a terminal or device must be in the form of

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credits for additional play or certificates redeemable for cash or prizes.

Sec. 11. (a) The commission, with input and assistance from the Indiana gaming commission, shall adopt rules under IC 4-22-2, including emergency rules under IC 4-22-2-37.1, to implement this chapter, including rules that prescribe:

- (1) an approval process for pari-mutuel pull tab games that requires periodic testing of the games and equipment by an independent entity under the oversight of the commission to ensure the integrity of the games to the public;
- (2) a system of internal audit controls;
- (3) a method of payment for pari-mutuel pull tab prizes that allows a player to transfer credits from one (1) terminal or device to another;
- (4) a method of payment for pari-mutuel pull tab prizes that allows a player to redeem a winning ticket for additional play tickets or credit to permit purchase of additional play tickets; and
- (5) any other procedure or requirement necessary for the efficient and economical operation of the pari-mutuel pull tab games and the convenience of the public.

(b) The commission may enter into a contract with the Indiana gaming commission for the provision of services necessary to administer pari-mutuel pull tab games.

Sec. 12. The commission may assess an administrative fee to a permit holder offering pari-mutuel pull tab games in an amount that allows the commission to recover all the commission's costs of administering the pari-mutuel pull tab games.

Sec. 13. The commission may not permit the sale of pari-mutuel pull tab tickets in a county where a riverboat is docked.

Sec. 14. All shipments of gambling devices, including pari-mutuel pull tab machines, to permit holders in Indiana, the registering, recording, and labeling of which have been completed by the manufacturer or dealer in accordance with 15 U.S.C. 1171 through 15 U.S.C. 1178, are legal shipments of gambling devices into Indiana.

Sec. 15. Under 15 U.S.C. 1172, approved January 2, 1951, the state of Indiana, acting by and through elected and qualified members of the legislature, declares and proclaims that the state is exempt from 15 U.S.C. 1172.

SECTION 9. IC 4-31-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. A person that holds a permit to

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conduct a horse racing meeting or a license to operate a satellite facility shall withhold:

- (1) eighteen percent (18%) of the total of money wagered on each day at the racetrack or satellite facility (including money wagered on exotic wagering pools, **but excluding money wagered on pari-mutuel pull tabs under IC 4-31-7.5**); plus
- (2) an additional three and one-half percent (3.5%) of the total of all money wagered on exotic wagering pools on each day at the racetrack or satellite facility."

Page 7, line 9, delete "to".

Page 7, line 10, delete "assess taxes".

Page 7, delete lines 12 through 18.

Page 7, delete lines 23 through 42.

Page 8, delete lines 1 through 3.

Page 8, line 29, delete "or is".

Page 8, line 30, delete "docked in".

Page 8, line 32, delete "or is docked".

Page 8, line 33, before "the second" delete "in".

Page 8, line 35, delete "or is docked".

Page 8, line 36, before "the third" delete "in".

Page 8, line 41, delete "or".

Page 8, line 42, delete "dock in".

Page 8, line 42, reset in roman "from".

Page 8, line 42, delete "at"

Page 9, line 3, delete "or docking in".

Page 9, line 12, reset in roman "from".

Page 9, line 12, delete "in".

Page 10, delete lines 12 through 42.

Page 11, delete lines 1 through 3.

Page 13, between lines 40 and 41, begin a new paragraph and insert:

"SECTION 31. IC 35-45-5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. This chapter does not apply to the publication or broadcast of an advertisement, a list of prizes, or other information concerning:

- (1) pari-mutuel wagering on horse races or a lottery authorized by the law of any state; ~~or~~
- (2) a game of chance operated in accordance with IC 4-32; **or**
- (3) **a pari-mutuel pull tab game operated in accordance with IC 4-31-7.5.**

SECTION 32. IC 35-45-5-11 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 11. This chapter does not apply**



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to the sale of pari-mutuel pull tab tickets authorized by IC 4-31-7.5."

Page 13, after line 42, begin a new paragraph and insert:

"SECTION 34. [EFFECTIVE JULY 1, 2002] **(a) The Indiana horse racing commission shall adopt the emergency rules required under IC 4-31-7.5-11, as added by this act, before September 1, 2002.**

(b) This SECTION expires December 31, 2002."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 333 as introduced.)

SERVER, Chairperson

Committee Vote: Yeas 6, Nays 5.

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SENATE MOTION

Mr. President: I move that Senate Bill 333 be amended to read as follows:

Page 6, between lines 25 and 26, begin a new paragraph and insert:
 "SECTION 10. IC 4-33-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. This article applies only to the following:

- (1) Counties contiguous to Lake Michigan.
- (2) Counties contiguous to the Ohio River.
- (3) ~~Counties contiguous to Patoka Lake.~~ **A historic preservation district that:**

- (A) is established under IC 36-7-11;**
- (B) is located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000); and**
- (C) includes the real property owned by the historic resort hotels located in:**
 - (i) a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200); and**
 - (ii) a town having a population of less than one thousand five hundred (1,500)."**

Page 6, between lines 34 and 35, begin a new paragraph and insert:
 "SECTION 13. IC 4-33-2-11.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 11.5. "Historic resort hotel" means a hotel built before 1930 with at least three hundred (300) sleeping rooms at the time of the hotel's original construction."**

Page 7, between lines 4 and 5, begin a new paragraph and insert:
 "SECTION 16. IC 4-33-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. The commission shall adopt rules under IC 4-22-2 for the following purposes:

- (1) Administering this article.
- (2) Establishing the conditions under which riverboat gambling in Indiana may be conducted.
- (3) Providing for the prevention of practices detrimental to the public interest and providing for the best interests of riverboat gambling.
- ~~(4) With respect to riverboats that operate on Patoka Lake, ensuring:~~
 - (A) the prevention of practices detrimental to the natural environment and scenic beauty of Patoka Lake; and**

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~~(B) compliance by licensees and riverboat patrons with the requirements of IC 14-26-2-5 and IC 14-28-1.~~

~~(5)~~ (4) Establishing rules concerning inspection of riverboats and the review of the permits or licenses necessary to operate a riverboat.

~~(6)~~ (5) Imposing penalties for noncriminal violations of this article.

SECTION 17. IC 4-33-4-3, AS AMENDED BY P.L.14-2000, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) The commission shall do the following:

(1) Adopt rules that the commission determines necessary to protect or enhance the following:

(A) The credibility and integrity of gambling operations authorized by this article.

(B) The regulatory process provided in this article.

~~(C) The natural environment and scenic beauty of Patoka Lake.~~

(2) Conduct all hearings concerning civil violations of this article.

(3) Provide for the establishment and collection of license fees and taxes imposed under this article.

(4) Deposit the license fees and taxes in the state gaming fund established by IC 4-33-13.

(5) Levy and collect penalties for noncriminal violations of this article.

(6) Deposit the penalties in the state gaming fund established by IC 4-33-13.

(7) Be present through the commission's inspectors and agents during the time gambling operations are conducted on a riverboat to do the following:

(A) Certify the revenue received by a riverboat.

(B) Receive complaints from the public.

(C) Conduct other investigations into the conduct of the gambling games and the maintenance of the equipment that the commission considers necessary and proper.

~~(D) With respect to riverboats that operate on Patoka Lake, ensure compliance with the following:~~

~~(i) IC 14-26-2-6.~~

~~(ii) IC 14-26-2-7.~~

~~(iii) IC 14-28-1.~~

(8) Adopt emergency rules under IC 4-22-2-37.1 if the commission determines that:

(A) the need for a rule is so immediate and substantial that

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rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 are inadequate to address the need; and

(B) an emergency rule is likely to address the need.

(b) The commission shall begin rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 to adopt an emergency rule adopted under subsection (a)(8) not later than thirty (30) days after the adoption of the emergency rule under subsection (a)(8)."

Page 7, between lines 8 and 9, begin a new paragraph and insert:

"SECTION 19. IC 4-33-4-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 13. (a) **This section does not apply to a riverboat located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).**

(b) After consulting with the United States Army Corps of Engineers, the commission may do the following:

- (1) Determine the waterways that are navigable waterways for purposes of this article.
- (2) Determine the navigable waterways that are suitable for the operation of riverboats under this article.

~~(b)~~ (c) In determining the navigable waterways on which riverboats may operate, the commission shall do the following:

- (1) Obtain any required approvals from the United States Army Corps of Engineers for the operation of riverboats on those waterways.
- (2) Consider the economic benefit that riverboat gambling provides to Indiana.
- (3) Seek to ensure that all regions of Indiana share in the economic benefits of riverboat gambling.
- ~~(4) Considering IC 14-26-2-6, IC 14-26-2-7, and IC 14-28-1, conduct a feasibility study concerning:~~

~~(A) the environmental impact of the navigation and docking of riverboats upon Patoka Lake; and~~

~~(B) the impact of the navigation and docking of riverboats upon the scenic beauty of Patoka Lake.~~

SECTION 20. IC 4-33-4-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15. The commission shall annually do the following:

- (1) Review the patterns of wagering and wins and losses by persons on riverboat gambling operations under this article.
- (2) Make recommendations to the governor and the general assembly concerning whether limits on wagering losses should be imposed.



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(3) ~~Examine the impact on the natural environment and scenic beauty of Patoka Lake made by the navigation and docking of riverboats.~~"

Page 8, line 8, strike "upon Patoka Lake".

Page 8, line 9, strike "from a county" and insert **"in a historic preservation district"**.

Page 9, between lines 13 and 14, begin a new paragraph and insert:

"SECTION 25. IC 4-33-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) A riverboat that operates in a county described in IC 4-33-1-1(1) or IC 4-33-1-1(2) must:

- (1) have a valid certificate of inspection from the United States Coast Guard for the carrying of at least five hundred (500) passengers; and
- (2) be at least one hundred fifty (150) feet in length.

(b) A riverboat that operates ~~on Patoka Lake~~ **in a county described under IC 4-33-1-1(3)** must:

- (1) have the capacity to carry at least five hundred (500) passengers;
- (2) be at least one hundred fifty (150) feet in length; and
- (3) meet safety standards required by the commission.

(c) This subsection applies only to a riverboat that operates on the Ohio River. A riverboat must replicate, as nearly as possible, historic Indiana steamboat passenger vessels of the nineteenth century. However, steam propulsion or overnight lodging facilities are not required under this subsection."

Page 12, between lines 8 and 9, begin a new paragraph and insert:

"SECTION 32. IC 4-33-9-17 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 17. (a) **This section applies only to a riverboat located in a historic preservation district described in IC 4-33-1-1(3).**

(b) **As used in this section, "electronic gaming device" has the meaning set forth in 68 IAC 1-1-29.**

(c) **As used in this section, "live gaming device" has the meaning set forth in 68-IAC 1-1-59.**

(d) **The licensed owner of a riverboat described in subsection (a) may not install more than five hundred (500) electronic gaming devices on board the riverboat.**

(e) **This section does not limit the number of live gaming devices that the licensed owner may install on board a riverboat described in subsection (a)."**

Page 12, line 23, after "IC 4-33-2-8;" insert "IC 4-33-4-19;"



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Renumber all SECTIONS consecutively.

(Reference is to SB 333 as printed January 25, 2002.)

SIMPSON

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Senate Bill 333, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 5, after "racetracks" insert "**and satellite facilities**".

Page 2, line 15, after "ticket" insert "**or simulated ticket**".

Page 2, line 30, after "racetrack" insert "**or satellite facility**".

Page 3, between lines 5 and 6, begin a new paragraph and insert:

"SECTION 5. IC 4-31-4-1.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1.3. (a) This section does not apply to a person who satisfies all of the following:

- (1) The person was issued a satellite facility license before January 2, 1996.
- (2) The person operated a satellite facility before January 2, 1996.
- (3) The person is currently operating the satellite facility under the license.

(b) A person may not operate under a satellite facility license unless both of the following apply:

- (1) The county fiscal body of the county in which the satellite facility will be operated has adopted an ordinance under section 2.5 of this chapter.
- (2) The person secures a license under IC 4-31-5.5.

(c) Notwithstanding any other provision of this article, subsection (b)(1) does not apply to a permit holder who:

- (1) was issued a permit before January 1, 2002; and**
- (2) files an application to operate a satellite facility in a county having a consolidated city.**

SECTION 6. IC 4-31-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) A county fiscal body may adopt an ordinance permitting the filing of applications under IC 4-31-5 to conduct pari-mutuel wagering on horse races at racetracks in the county. However, before adopting the ordinance, the county fiscal body must:

- (1) conduct a public hearing on the proposed ordinance; and
- (2) publish notice of the public hearing in the manner prescribed by IC 5-3-1.

(b) The county fiscal body may:

- (1) require in the ordinance adopted by the county fiscal body that before applications under IC 4-31-5 to conduct pari-mutuel wagering on horse races at racetracks in the county may be filed, the voters of the county must approve the conducting of horse

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racing meetings in the county under section 3 of this chapter; or
 (2) amend an ordinance already adopted by the county fiscal body to require that before applications under IC 4-31-5 to conduct pari-mutuel wagering on horse races at racetracks in the county may be filed, the voters of the county must approve the conducting of horse racing meetings in the county under section 3 of this chapter.

An ordinance adopted under this section may not be amended to apply to a person who has already been issued a permit under IC 4-31-5 before amendment of the ordinance.

(c) An ordinance adopted under this section authorizing a person to conduct pari-mutuel wagering on horse races at racetracks in the county may not be amended with the intent to restrict a permit holder's ability to sell pari-mutuel pull tabs under IC 4-31-7.5. An ordinance adopted by the county fiscal body permitting the sale of pari-mutuel pull tabs is not a requirement for the lawful sale of pari-mutuel pull tabs under IC 4-31-7.5.

SECTION 7. IC 4-31-4-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2.5. (a) A county fiscal body may adopt an ordinance permitting the filing of applications under IC 4-31-5.5 for operation of a satellite facility in the county. However, before adopting the ordinance, the county fiscal body must:

- (1) conduct a public hearing on the proposed ordinance; and
- (2) publish notice of the public hearing in the manner prescribed by IC 5-3-1.

(b) The county fiscal body may:

- (1) require in the ordinance adopted by the county fiscal body that before applications under IC 4-31-5.5 to operate a satellite facility in the county may be filed, the voters of the county must approve the operation of a satellite facility in the county under section 3 of this chapter; or
- (2) amend an ordinance already adopted in the county to require that before applications under IC 4-31-5.5 to operate a satellite facility in the county may be filed, the voters of the county must approve the operation of a satellite facility in the county under section 3 of this chapter.

An ordinance adopted under this section may not be amended to apply to a person who was issued a license under IC 4-31-5.5 before the ordinance was amended.

(c) Notwithstanding any other provision of this article, this section does not apply to a permit holder who:

- (1) was issued a permit before January 1, 2002; and**



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(2) files an application to operate a satellite facility in a county having a consolidated city.

SECTION 8. IC 4-31-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) This section does not apply to either of the following:

- (1) A permit holder who satisfies all of the following:
 - (A) The permit holder was issued a permit before January 2, 1996.
 - (B) The permit holder conducted live racing before January 2, 1996.
 - (C) The permit holder is currently operating under the permit.
- (2) A person who satisfies all of the following:
 - (A) The person was issued a satellite facility license before January 2, 1996.
 - (B) The person operated a satellite facility before January 2, 1996.
 - (C) The person is currently operating the satellite facility under the license.

(b) This section applies if either of the following apply:

- (1) Both of the following are satisfied:
 - (A) An ordinance is adopted under section 2 or 2.5 of this chapter.
 - (B) The ordinance requires the voters of the county to approve either of the following:
 - (i) The conducting of horse racing meetings in the county.
 - (ii) The operation of a satellite facility in the county.
- (2) A local public question is required to be held under section 2.7 of this chapter following the filing of a petition with the circuit court clerk:
 - (A) signed by at least the number of registered voters of the county required under IC 3-8-6-3 to place a candidate on the ballot; and
 - (B) requesting that the local public question set forth in subsection (d) be placed on the ballot.

(c) Notwithstanding any other provision of this article, the commission may not issue a recognized meeting permit under IC 4-31-5 to allow the conducting of or the assisting of the conducting of a horse racing meeting unless the voters of the county in which the property is located have approved conducting recognized meetings in the county.

(d) For a local public question required to be held under subsection (c), the county election board shall place the following question on the

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ballot in the county during the next general election:

"Shall horse racing meetings at which pari-mutuel wagering occurs be allowed in _____ County?"

(e) Notwithstanding any other provision of this article, the commission may not issue a satellite facility license under IC 4-31-5.5 to operate a satellite facility unless the voters of the county in which the satellite facility will be located approve the operation of the satellite facility in the county.

(f) For a local public question required to be held under subsection (e), the county election board shall place the following question on the ballot in the county during the next general election:

"Shall satellite facilities at which pari-mutuel wagering occurs be allowed in _____ County?"

(g) A public question under this section must be certified in accordance with IC 3-10-9-3 and shall be placed on the ballot in accordance with IC 3-10-9.

(h) The circuit court clerk of a county holding an election under this chapter shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

(i) If a public question is placed on the ballot under subsection (d) or (f) in a county and the voters of the county do not vote in favor of the public question, a second public question under that subsection may not be held in the county for at least two (2) years. If the voters of the county vote to reject the public question a second time, a third or subsequent public question under that subsection may not be held in the county until the general election held during the tenth year following the year of the previous public question held under that subsection.

(j) Notwithstanding any other provision of this article, this section does not apply to a permit holder who:

- (1) was issued a permit before January 1, 2002; and**
- (2) files an application to operate a satellite facility in a county having a consolidated city."**

Page 3, between lines 11 and 12, begin a new paragraph and insert:
 "SECTION 10. IC 4-31-5.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) As used in this section, "live racing day" means a day on which at least eight (8) live horse races are conducted.

(b) The commission's authority to issue satellite facility licenses is subject to the following conditions:

- (1) The commission may issue four (4) satellite facility licenses to each permit holder that:

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(A) conducts at least one hundred twenty (120) live racing days per year at the racetrack designated in the permit holder's permit; and

(B) meets the other requirements of this chapter and the rules adopted under this chapter.

If a permit holder that operates satellite facilities does not meet the required minimum number of live racing days, the permit holder may not operate the permit holder's satellite facilities during the following year. However, the requirement for one hundred twenty (120) live racing days does not apply if the commission determines that the permit holder is prevented from conducting live horse racing as a result of a natural disaster or other event over which the permit holder has no control. In addition, if the initial racing meeting conducted by a permit holder commences at such a time as to make it impractical to conduct one hundred twenty (120) live racing days during the permit holder's first year of operations, the commission may authorize the permit holder to conduct simulcast wagering during the first year of operations with fewer than one hundred twenty (120) live racing days.

(2) Each proposed satellite facility must be covered by a separate application. The timing for filing an initial application for a satellite facility license shall be established by the rules of the commission.

(3) A satellite facility must:

(A) have full dining service available;

(B) have multiple screens to enable each patron to view simulcast races; and

(C) be designed to seat comfortably a minimum of four hundred (400) persons.

(4) In determining whether a proposed satellite facility should be approved, the commission shall consider the following:

(A) The purposes and provisions of this chapter.

(B) The public interest.

(C) The impact of the proposed satellite facility on live racing.

(D) The impact of the proposed satellite facility on the local community.

(E) The potential for job creation.

(F) The quality of the physical facilities and the services to be provided at the proposed satellite facility.

(G) Any other factors that the commission considers important or relevant to its decision.



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(5) The commission may not issue a license for a satellite facility to be located in a county unless IC 4-31-4 has been satisfied.

(6) Not more than one (1) license may be issued to each permit holder to operate a satellite facility located in a county having a consolidated city. The maximum number of licenses that the commission may issue for satellite facilities to be located in a county having a consolidated city is two (2) licenses.

SECTION 11. IC 4-31-5.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. A permit holder or group of permit holders that is authorized to operate satellite facilities may accept and transmit pari-mutuel wagers on horse racing at those facilities and may engage in all activities necessary to establish and operate appropriate satellite wagering facilities, including the following:

- (1) Live simulcasts of horse racing conducted at the permit holder's racetrack or at other racetracks. However, a satellite facility operated by a permit holder may not simulcast races conducted in other states on any day that is not a live racing day (as defined in section 3 of this chapter) unless the satellite facility also simulcasts all available races conducted in Indiana on that day.
- (2) Construction or leasing of satellite wagering facilities.
- (3) Sale of food and beverages.
- (4) Advertising and promotion.
- (5) **Sale of pari-mutuel pull tabs authorized under IC 4-31-7.5.**
- (6) All other related activities."

Page 3, line 25, delete "race track" and insert "**racetrack or satellite facility**".

Page 3, line 34, delete "twenty-one (21)" and insert "**eighteen (18)**".

Page 3, line 38, reset in roman "eighteen (18)".

Page 3, line 38, delete "twenty-one (21)".

Page 3, between lines 39 and 40, begin a new paragraph and insert:
"(d) A person less than twenty-one (21) years of age may not enter the part of a satellite facility in which pari-mutuel pull tabs are sold and redeemed."

Page 4, line 37, delete "a" and insert "**the following locations:**

(1) A".

Page 4, between lines 39 and 40, begin a new line block indented and insert:

"(2) A satellite facility that is located in a county having a consolidated city and that is operated by a permit holder described in subdivision (1)."



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Page 4, delete lines 40 through 42.

Page 5, delete line 1.

Page 5, line 2, delete "(c)" and insert "(b)".

Page 5, line 2, delete "seven" and insert "five".

Page 5, line 3, delete "(700)" and insert "(500)".

Page 5, between lines 4 and 5, begin a new paragraph and insert:

"(c) A permit holder may not install more than five hundred (500) pull tab terminals or devices on the premises of the permit holder's satellite facility located in a county containing a consolidated city."

Page 5, line 19, delete "commission, with input and assistance from the".

Page 5, line 20, after "commission" delete ",".

Page 5, line 38, before "commission" insert "**Indiana gaming**".

Page 5, line 38, after "with the" delete "Indiana".

Page 5, line 39, delete "gaming" and insert "**horse racing**".

Page 5, line 41, before "commission" insert "**Indiana gaming**".

Page 6, line 3, before "commission" insert "**Indiana gaming**".

Page 6, between lines 14 and 15, begin a new paragraph and insert:

"Sec. 16. The sale, purchase, and redemption of pari-mutuel pull tab tickets under this chapter shall be regulated and administered by the Indiana gaming commission."

Sec. 17. (a) Notwithstanding any other provision of this chapter, a permit holder may not commence the sale of pari-mutuel pull tabs until the Indiana gaming commission makes the determinations required under subsection (b) and authorizes the permit holder to commence the sale of pari-mutuel pull tabs under this section.

(b) The Indiana gaming commission may not authorize a permit holder to sell pari-mutuel pull tabs under this chapter until after the commission determines that:

(1) Indiana law imposes a tax upon the receipts of pari-mutuel pull tab wagering; and

(2) Indiana law provides revenue sharing from the taxes imposed upon pari-mutuel pull tab wagering or riverboat gaming to the counties that do not have a riverboat licensed under IC 4-33, a horse racing track, or a satellite facility."

Page 6, between lines 25 and 26, begin a new paragraph and insert:

"SECTION 11. IC 4-31-14 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 14. Minority and Women's Business Participation



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Sec. 1. This chapter applies to a person holding a permit to operate a racetrack under IC 4-31-5 at which pari-mutuel pull tab tickets are sold or a license to operate a satellite facility under IC 4-31-5.5 at which pari-mutuel pull tab tickets are sold.

Sec. 2. The general assembly declares that it is essential for minority and women's business enterprises to have the opportunity for full participation in the pari-mutuel pull tab game industry if minority and women's business enterprises are to obtain social and economic parity and if the economies of the cities, towns, and counties in which pari-mutuel pull tab games are operated are to be stimulated as contemplated by this article.

Sec. 3. As used in this chapter, "minority" means a person who is one (1) of the following:

- (1) Black.
- (2) Hispanic.
- (3) Asian American.
- (4) Native American or Alaskan native.

Sec. 4. As used in this chapter, "minority business enterprise" means a business that is one (1) of the following:

- (1) A sole proprietorship owned and controlled by a minority.
- (2) A partnership or joint venture owned and controlled by minorities:
 - (A) in which at least fifty-one percent (51%) of the ownership interest is held by at least one (1) minority; and
 - (B) the management and daily business operations of which are controlled by at least one (1) of the minorities who own the business.
- (3) A corporation or other entity:
 - (A) whose management and daily business operations are controlled by at least one (1) of the minorities who own the business; and
 - (B) that is at least fifty-one percent (51%) owned by at least one (1) minority or, if stock is issued, at least fifty-one percent (51%) of the stock is owned by at least one (1) minority.

Sec. 5. As used in this chapter, "women's business enterprise" means a business that is one (1) of the following:

- (1) A sole proprietorship owned and controlled by a woman.
- (2) A partnership or joint venture owned and controlled by women in which:
 - (A) at least fifty-one percent (51%) of the ownership is held by women; and



(B) the management and daily business operations are controlled by at least one (1) of the women who own the business.

(3) A corporation or other entity:

(A) whose management and daily business operations are controlled by at least one (1) of the women who own the business; and

(B) that is at least fifty-one percent (51%) owned by women or, if stock is issued, at least fifty-one percent (51%) of the stock is owned by at least one (1) of the women.

Sec. 6. (a) As used in this section, "goods and services" does not include the following:

- (1) Utilities and taxes.
- (2) Financing costs, mortgages, loans, or other debt.
- (3) Medical insurance.
- (4) Fees and payments to a parent or an affiliated company of the permit holder or satellite facility operator, other than fees and payments for goods and services supplied by nonaffiliated persons through an affiliated company for the use or benefit of the permit holder or satellite facility operator.
- (5) Rents paid for real property or payment constituting the price of an interest in real property as a result of a real estate transaction.

(b) Notwithstanding any law or rule to the contrary, a permit holder operating a horse racetrack or a satellite facility shall establish goals of expending at least the following:

- (1) The greater of:
 - (A) ten percent (10%) of the dollar value of the permit holder or satellite facility operator's contracts for goods and services with minority business enterprises; or
 - (B) the percentage of the dollar value of the permit holder or satellite facility operator's contracts for goods and services with minority business enterprises that represents the percentage of minorities who reside in the county in which the racetrack or satellite facility is located.
- (2) Five percent (5%) of the dollar value of the permit holder or satellite facility operator's contracts for goods and services with women's business enterprises.

A permit holder or satellite facility operator shall submit quarterly reports to the commission that outline the total dollar value of contracts awarded for goods and services and the percentage

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awarded to minority and women's business enterprises.

(c) A permit holder or satellite facility operator shall make a good faith effort to meet the requirements of this section and shall quarterly, unless otherwise directed by the commission, demonstrate to the commission at a public meeting that an effort was made to meet the requirements.

(d) A permit holder or satellite facility operator may fulfill not more than seventy percent (70%) of an obligation under this chapter by requiring a vendor to set aside a part of a contract for minority or women's business enterprises. Upon request, the permit holder or satellite facility operator shall provide the commission with proof of the amount set aside.

Sec. 7. If the commission determines that the provisions of this chapter relating to expenditures and assignments to minority and women's business enterprises have not been met by a permit holder or satellite facility operator, the commission may suspend, limit, or revoke the person's satellite facility license or recognized meeting permit, impose a civil penalty, or impose appropriate conditions on the license or permit to ensure that the goals for expenditures and assignments to minority and women's business enterprises are met. However, if a determination is made that a permit holder or satellite facility operator has failed to demonstrate compliance with this chapter, the person has ninety (90) days from the date of the determination of noncompliance to comply.

Sec. 8. The commission shall deposit civil penalties imposed under section 7 of this chapter in the women and minority business assistance fund established by section 12 of this chapter.

Sec. 9. The commission shall establish and administer a unified certification procedure for minority and women's business enterprises that do business with permit holders and satellite facility operators on contracts for goods and services or contracts for business.

Sec. 10. The commission shall supply permit holders and satellite facility operators with a list of the minority and women's business enterprises the commission has certified under section 9 of this chapter. The commission shall review the list at least annually to determine the minority and women's business enterprises that should continue to be certified. The commission shall establish a procedure for challenging the designation of a certified minority or women's business enterprise. The procedure must include proper notice and a hearing for all parties concerned.

Sec. 11. The commission shall adopt other rules necessary to



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interpret and implement this chapter.

Sec. 12. (a) The women and minority business assistance fund is established to assist women and minority business enterprises. The fund shall be administered by the commission. The fund consists of penalties imposed by the commission under section 7 of this chapter.

(b) The expenses of administering the fund shall be paid from money in the fund.

(c) The treasurer of state shall invest money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund."

Page 6, line 37, delete "includes" and insert "consists solely of".

Page 7, line 14, delete "hotel built before" and insert "structure originally built as a hotel that contained at least three hundred (300) sleeping rooms on or before January 1,".

Page 7, line 14, after "1930" insert ".".

Page 7, line 14, delete "with at least three hundred (300)".

Page 7, delete line 15, begin a new paragraph and insert:

"SECTION 14. IC 4-33-2-13.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 13.5. "Licensed operating agent"** means a person licensed under IC 4-33-6.5 to operate a riverboat in a historic preservation district described in IC 4-33-1-1(3) on behalf of the district's historic preservation commission.

SECTION 16. IC 4-33-2-14.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 14.5. "Operating agent's license"** means a license issued under IC 4-33-6.5 that allows a person to operate a riverboat in a historic preservation district described in IC 4-33-1-1(3) on behalf of the district's historic preservation commission."

Page 7, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 16. IC 4-33-2-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 16. "Person"** means an individual, a sole proprietorship, a partnership, an association, a fiduciary, a corporation, a limited liability company, **a historic preservation district**, or any other business entity.

SECTION 17. IC 4-33-2-16.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS



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[EFFECTIVE JULY 1, 2002] **Sec. 16.3. "Pari-mutuel pull tab" has the meaning set forth in IC 4-31-2-11.5."**

Page 8, between lines 5 and 6, begin a new line block indented and insert:

"(6) Establishing ethical standards regulating the conduct of members of a historic preservation commission established under IC 36-7-11-4.5 with regard to the selection and licensure of an operating agent to operate a riverboat in a historic preservation district described in IC 4-33-1-1(3).

(7) Establishing the conditions under which the sale, purchase, and redemption of pari-mutuel pull tabs may be conducted under IC 4-31-7.5."

Page 11, between lines 13 and 14, begin a new paragraph and insert:

"SECTION 23. IC 4-33-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) A person applying for an owner's license under this chapter must pay a nonrefundable application fee to the commission. The commission shall determine the amount of the application fee. However, the historic preservation district described in IC 4-33-1-1(3) or a member of the district's historic preservation commission is not required to pay the fee charged under this subsection.

(b) An applicant must submit the following on forms provided by the commission:

(1) If the applicant is an individual, two (2) sets of the individual's fingerprints.

(2) If the applicant is not an individual, two (2) sets of fingerprints for each officer and director of the applicant.

(c) The commission shall review the applications for an owner's license under this chapter and shall inform each applicant of the commission's decision concerning the issuance of the owner's license.

(d) The costs of investigating an applicant for an owner's license under this chapter shall be paid from the application fee paid by the applicant.

(e) An applicant for an owner's license under this chapter must pay all additional costs that are:

(1) associated with the investigation of the applicant; and

(2) greater than the amount of the application fee paid by the applicant.

(f) The commission shall recoup all of the costs associated with investigating or reinvestigating an applicant that is a member of a historic preservation commission described in subsection (a) by imposing a special investigation fee upon the historic preservation

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commission's licensed operating agent."

Page 12, between lines 10 and 11, begin a new paragraph and insert:

"SECTION 25. IC 4-33-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. **(a) This section does not apply to a riverboat located in a historic preservation district described in IC 4-33-1-1(3).**

(b) In an application for an owner's license, the applicant must state the dock at which the riverboat is based and the navigable waterway on which the riverboat will operate."

Page 12, between lines 29 and 30, begin a new paragraph and insert:

"SECTION 27. IC 4-33-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. If the commission determines that a person is eligible under this chapter for an owner's license, the commission may issue an owner's license to the person if:

- (1) the person pays an initial license fee of twenty-five thousand dollars (\$25,000); and
- (2) the person posts a bond as required in section 9 of this chapter.

However, the historic preservation district described in IC 4-33-1-1(3) or a member of the district's historic preservation commission is not required to pay the fee charged under this section."

Page 12, line 31, delete "A" and insert **"Except as provided in subsection (l), a"**.

Page 14, between lines 3 and 4, begin a new paragraph and insert:

"(l) The historic preservation district described in IC 4-33-1-1(3) or a member of the district's historic preservation commission is not required to post the bond required under this section."

Page 14, between lines 30 and 31, begin a new paragraph and insert:

"SECTION 29. IC 4-33-6-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 12. (a) Unless the owner's license is terminated, expires, or is revoked, the owner's license may be renewed annually upon:

- (1) the payment of a five thousand dollar (\$5,000) annual renewal fee; and
- (2) a determination by the commission that the licensee satisfies the conditions of this article.

However, the historic preservation district described in IC 4-33-1-1(3) or a member of the district's historic preservation commission is not required to pay the fee charged under this section.

(b) A licensed owner shall undergo a complete investigation every

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three (3) years to determine that the licensed owner remains in compliance with this article.

(c) Notwithstanding subsection (b), the commission may investigate a licensed owner at any time the commission determines it is necessary to ensure that the licensee remains in compliance with this article.

(d) The licensed owner shall bear the cost of an investigation or reinvestigation of the licensed owner and any investigation resulting from a potential transfer of ownership.

(e) The commission shall recoup all of the costs associated with investigating or reinvestigating a member of a historic preservation commission described in subsection (a) by imposing a special investigation fee upon the historic preservation commission's licensed operating agent.

SECTION 30. IC 4-33-6-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 19. (a) This section applies to:

- (1) a county contiguous to the Ohio River;
- ~~(2) a county contiguous to Patoka Lake; and~~
- ~~(3)~~ **(2)** a county contiguous to Lake Michigan that has a population of less than four hundred thousand (400,000).

(b) Notwithstanding any other provision of this article, the commission may not issue a license under this article to allow a riverboat to operate in the county unless the voters of the county have approved the conducting of gambling games on riverboats in the county.

(c) If the docking of a riverboat in the county is approved by an ordinance adopted under section 18 of this chapter, or if at least the number of the registered voters of the county required under IC 3-8-6-3 for a petition to place a candidate on the ballot sign a petition submitted to the circuit court clerk requesting that a local public question concerning riverboat gaming be placed on the ballot, the county election board shall place the following question on the ballot in the county during the next general election:

"Shall licenses be issued to permit riverboat gambling in ____ County?"

(d) A public question under this section shall be placed on the ballot in accordance with IC 3-10-9 and must be certified in accordance with IC 3-10-9-3.

(e) The clerk of the circuit court of a county holding an election under this chapter shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

(f) If a public question under this section is placed on the ballot in

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a county and the voters of the county do not vote in favor of permitting riverboat gambling under this article, a second public question under this section may not be held in that county for at least two (2) years. If the voters of the county vote to reject riverboat gambling a second time, a third or subsequent public question under this section may not be held in that county until the general election held during the tenth year following the year that the previous public question was placed on the ballot.

SECTION 31. IC 4-33-6-19.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 19.5. (a) This section applies to a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).**

(b) The commission may issue only one (1) license under this article to allow a riverboat to operate in the county within a historic preservation district established under IC 36-7-11.

(c) The commission may not issue a license under this article to allow a riverboat to operate in the county unless the voters of:

- (1) a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200) located in the county; and**
- (2) a town having a population of less than one thousand five hundred (1,500) located in the county;**

have approved gambling on riverboats in the county.

(d) If at least the number of registered voters of the town required under IC 3-8-6-3 for a petition to place a candidate on the ballot sign a petition submitted to the clerk of the circuit court requesting that a local public question concerning riverboat gambling be placed on the ballot, the county election board shall place the following question on the ballot in the town described in subsection (c) during the next primary or general election or a special election held under this section:

"Shall a license be issued to allow riverboat gambling in the town of _____?"

(e) A public question under this section shall be placed on the ballot in accordance with IC 3-10-9.

(f) If a public question is placed on the ballot under this section and the voters of the town do not vote in favor of allowing riverboat gambling under IC 4-33, another public question regarding riverboat gambling may not be held in the town for at least two (2) years.

(g) In a special election held under this section:



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(1) IC 3 applies, except as otherwise provided in this section;
and

(2) at least as many precinct polling places as were used in the towns described in subsection (c) during the most recent municipal election must be used for the special election.

(h) The clerk of the circuit court of a county holding an election under this section shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

SECTION 32. IC 4-33-6-21 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 21. (a) As used in this section, "electronic gaming device" has the meaning set forth in 68 IAC 1-1-29.

(b) As used in this section, "live gaming device" has the meaning set forth in 68 IAC 1-1-59.

(c) Except as provided in subsection (d) and IC 4-33-9-17, a riverboat licensed under this article may not contain more than three thousand two hundred (3,200) electronic gaming devices.

(d) The maximum permissible number of electronic gaming devices imposed by subsection (b) does not apply to a riverboat that contains a number of electronic gaming devices that exceeds two thousand eight hundred eighty (2,880) on July 1, 2002. However, a riverboat described in this subsection may not add more than three hundred twenty (320) electronic gaming devices to the number of electronic gaming devices contained on the riverboat on July 1, 2002.

(e) This section does not limit the number of live gaming devices that a riverboat may contain.

SECTION 33. IC 4-33-6-22 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 22. (a) Notwithstanding any other provision of this chapter, a licensed owner may not begin to allow the continuous ingress and egress of passengers for the purposes of gambling until the gaming commission makes the determinations required under subsection (b) and authorizes the licensed owner to allow the continuous ingress and egress passengers for the purposes of gambling.

(b) The commission may not authorize a licensed owner to allow the continuous ingress and egress of passengers for the purposes of gambling until after the commission determines that:

- (1) Indiana law imposes a tax upon the receipts of pari-mutuel pull tab wagering; and
- (2) Indiana law provides revenue sharing from the taxes

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imposed upon pari-mutuel pull tab wagering or riverboat gaming to the counties that do not have a riverboat licensed under IC 4-33, a horse racing track, or a satellite facility.

(c) Until the commission makes the determinations required under subsection (b) and authorizes a licensed owner to begin allowing the continuous ingress and egress of passengers for the purposes of gambling, a licensed owner must operate the licensed owner's riverboat and conduct gambling games in the manner required under this article before January 1, 2002.

SECTION 34. IC 4-33-6.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 6.5. Riverboat Operating Agent's License

Sec. 1. This chapter applies only to a riverboat operated under a license described in IC 4-33-6-1(a)(6).

Sec. 2. (a) A person applying for an operating agent's license under this chapter must pay a nonrefundable application fee to the commission. The commission shall determine the amount of the application fee.

(b) An applicant must submit the following on forms provided by the commission:

(1) If the applicant is an individual, two (2) sets of the individual's fingerprints.

(2) If the applicant is not an individual, two (2) sets of fingerprints for each officer and director of the applicant.

(c) The commission shall review the applications for a license under this chapter and shall inform each applicant of the commission's decision concerning the issuance of the license.

(d) The costs of investigating an applicant for a license under this chapter shall be paid from the application fee paid by the applicant.

(e) An applicant for a license under this chapter must pay all additional costs that are:

(1) associated with the investigation of the applicant; and

(2) greater than the amount of the application fee paid by the applicant.

Sec. 3. The commission may not issue an operating agent's license under this chapter to a person if:

(1) the person has been convicted of a felony under Indiana law, the laws of any other state, or laws of the United States;

(2) the person has knowingly or intentionally submitted an application for a license under this chapter that contains false

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information;

(3) the person is a member of the commission;

(4) the person is an officer, a director, or a managerial employee of a person described in subdivision (1) or (2);

(5) the person employs an individual who:

(A) is described in subdivision (1), (2), or (3); and

(B) participates in the management or operation of gambling operations authorized under this article;

(6) the person owns an ownership interest of more than the total amount of ownership interests permitted under IC 4-33-6-3.5; or

(7) a license issued to the person:

(A) under this article; or

(B) to own or operate gambling facilities in another jurisdiction;

has been revoked.

Sec. 4. In determining whether to grant an operating agent's license to an applicant, the commission shall consider the following:

(1) The character, reputation, experience, and financial integrity of the following:

(A) The applicant.

(B) A person that:

(i) directly or indirectly controls the applicant; or

(ii) is directly or indirectly controlled by the applicant or by a person that directly or indirectly controls the applicant.

(2) The facilities or proposed facilities for the conduct of riverboat gambling in a historic preservation district described in IC 4-33-1-1(3).

(3) The highest prospective total revenue to be collected by the state from the conduct of riverboat gambling.

(4) The good faith affirmative action plan of each applicant to recruit, train, and upgrade minorities in all employment classifications.

(5) The financial ability of the applicant to purchase and maintain adequate liability and casualty insurance.

(6) If the applicant has adequate capitalization to operate a riverboat for the duration of the license.

(7) The extent to which the applicant exceeds or meets other standards adopted by the commission.

Sec. 5. If the commission determines that a person is eligible



under this chapter for an operating agent's license, the commission may issue an operating agent's license to the person if:

- (1) the person pays an initial license fee of twenty-five thousand dollars (\$25,000); and
- (2) the person posts a bond as required in section 6 of this chapter.

Sec. 6. (a) A licensed operating agent must post a bond with the commission at least sixty (60) days before the commencement of regular riverboat operations in the historic preservation district described in IC 4-33-1-1(3).

(b) The bond shall be furnished in:

- (1) cash or negotiable securities;
- (2) a surety bond:
 - (A) with a surety company approved by the commission; and
 - (B) guaranteed by a satisfactory guarantor; or
- (3) an irrevocable letter of credit issued by a banking institution of Indiana acceptable to the commission.

(c) If a bond is furnished in cash or negotiable securities, the principal shall be placed without restriction at the disposal of the commission, but income inures to the benefit of the licensee.

(d) The bond:

- (1) is subject to the approval of the commission; and
- (2) must be payable to the commission as obligee for use in payment of the riverboat's financial obligations to the local community, the state, and other aggrieved parties, as determined by the rules of the commission.

(e) If after a hearing (after at least five (5) days written notice) the commission determines that the amount of a licensed operating agent's bond is insufficient, the operating agent shall, upon written demand of the commission, file a new bond.

(f) The commission may require a licensed operating agent to file a new bond with a satisfactory surety in the same form and amount if:

- (1) liability on the old bond is discharged or reduced by judgment rendered, payment made, or otherwise; or
- (2) in the opinion of the commission any surety on the old bond becomes unsatisfactory.

(g) If a new bond obtained under subsection (e) or (f) is unsatisfactory, the commission shall cancel the operating agent's license. If the new bond is satisfactorily furnished, the commission shall release in writing the surety on the old bond from any liability

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accruing after the effective date of the new bond.

(h) A bond is released on the condition that the licensed operating agent remains at the site of the riverboat operating within a historic preservation district:

- (1) for five (5) years; or
- (2) until the date the commission grants a license to another operating agent to operate from the site for which the bond was posted;

whichever occurs first.

(i) An operating agent who does not meet the requirements of subsection (h) forfeits a bond filed under this section. The proceeds of a bond that is in default under this subsection are paid to the commission for the benefit of the local unit from which the riverboat operated.

(j) The total liability of the surety on a bond is limited to the amount specified in the bond and the continuous nature of the bond may not be construed as allowing the liability of the surety under a bond to accumulate for each successive approval period during which the bond is in force.

(k) A bond filed under this section is released sixty (60) days after:

- (1) the time has run under subsection (h); and
- (2) a written request is submitted by the operating agent.

Sec. 7. (a) Unless the operating agent's license is terminated, expires, or is revoked, the operating agent's license may be renewed annually upon:

- (1) the payment of a five thousand dollar (\$5,000) annual renewal fee; and
- (2) a determination by the commission that the licensee satisfies the conditions of this article.

(b) An operating agent shall undergo a complete investigation every three (3) years to determine that the operating agent remains in compliance with this article.

(c) Notwithstanding subsection (b), the commission may investigate an operating agent at any time the commission determines it is necessary to ensure that the licensee remains in compliance with this article.

(d) The operating agent shall bear the cost of an investigation or reinvestigation of the operating agent.

Sec. 8. A license issued under this chapter permits the holder to operate a the riverboat on behalf of the licensed owner of the riverboat.



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Sec. 9. An operating agent licensed under this chapter is charged with all the duties imposed upon a licensed owner under this article including the collection and remission of taxes under IC 4-33-12 and IC 4-33-13.

SECTION 9. IC 4-33-7.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 7.5. Pari-Mutuel Pull Tab Suppliers

Sec. 1. The commission may issue a supplier's license under this chapter to a person if:

- (1) the person has:**
 - (A) applied for the supplier's license;**
 - (B) paid a nonrefundable application fee set by the commission;**
 - (C) paid a five thousand dollar (\$5,000) annual license fee; and**
 - (D) submitted on forms provided by the commission:**
 - (i) if the applicant is an individual, two (2) sets of the individual's fingerprints; and**
 - (ii) if the applicant is not an individual, two (2) sets of fingerprints for each officer and director of the applicant; and**
- (2) the commission has determined that the applicant is eligible for a supplier's license.**

Sec. 2. (a) A person holding a supplier's license may sell, lease, and contract to sell or lease pari-mutuel pull tab terminals and devices to a permit holder authorized to sell and redeem pari-mutuel pull tab tickets under IC 4-31-7.5.

(b) Pari-mutuel pull tab terminals and devices may not be distributed unless the terminals and devices conform to standards adopted by the commission.

Sec. 3. A person may not receive a supplier's license if:

- (1) the person has been convicted of a felony under Indiana law, the laws of any other state, or laws of the United States;**
- (2) the person has knowingly or intentionally submitted an application for a license under this chapter that contains false information;**
- (3) the person is a member of the commission;**
- (4) the person is an officer, a director, or a managerial employee of a person described in subdivision (1) or (2);**
- (5) the person employs an individual who:**
 - (A) is described in subdivision (1), (2), or (3); and**



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- (B) participates in the management or operation of gambling operations authorized under this article;
- (6) the person owns more than a ten percent (10%) ownership interest in any other person holding a permit issued under IC 4-31; or
- (7) a license issued to the person:
 - (A) under this article; or
 - (B) to supply gaming supplies in another jurisdiction; has been revoked.

Sec. 4. A person may not furnish pari-mutuel pull tab terminals or devices to a permit holder unless the person possesses a supplier's license.

Sec. 5. (a) A supplier shall furnish to the commission a list of all pari-mutuel pull tab terminals and devices offered for sale or lease in connection with the sale of pari-mutuel pull tab tickets authorized under IC 4-31-7.5.

(b) A supplier shall keep books and records for the furnishing of pari-mutuel pull tab terminals and devices to permit holders separate from books and records of any other business operated by the supplier.

(c) A supplier shall file a quarterly return with the commission listing all sales and leases.

(d) A supplier shall permanently affix the supplier's name to all of the supplier's pari-mutuel pull tab terminals or devices provided to permit holders under this chapter.

Sec. 6. A supplier's pari-mutuel pull tab terminals or devices that are used by a person in an unauthorized gambling operation shall be forfeited to the state.

Sec. 7. Pari-mutuel pull tab terminals and devices that are provided by a supplier may be:

- (1) repaired on the premises of a racetrack or satellite facility; or
- (2) removed for repair from the premises of a permit holder to a facility owned the permit holder.

Sec. 8. (a) Unless a supplier's license is suspended, expires, or is revoked, the supplier's license may be renewed annually upon:

- (1) the payment of a five thousand dollar (\$5,000) annual renewal fee; and
- (2) a determination by the commission that the licensee is in compliance with this article.

(b) The holder of a supplier's license shall undergo a complete investigation every three (3) years to determine that the licensee is

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in compliance with this article.

(c) Notwithstanding subsection (b), the commission may investigate the holder of a supplier's license at any time the commission determines it is necessary to ensure that the licensee is in compliance with this article.

(d) The holder of a supplier's license shall bear the cost of an investigation or reinvestigation of the licensee and any investigation resulting from a potential transfer of ownership."

Page 15, between lines 38 and 39, begin a new paragraph and insert:
"SECTION 34. IC 4-33-16 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 16. Gambling Operations in a Historic Preservation District

Sec. 1. This chapter applies only to a historic preservation district described in IC 4-33-1-1(3) and established under IC 36-7-11-4.5.

Sec. 2. As used in this chapter, "district" refers to the historic preservation district established under IC 36-7-11-4.5.

Sec. 3. As used in this chapter, "historic preservation commission" refers to the historic preservation commission established under IC 36-7-11-4.5.

Sec. 4. As used in this chapter, "operating expenses" means the following:

- (1) Money spent by the historic preservation commission in the exercise of the historic preservation commission's powers under this article, IC 36-7-11-23, and IC 36-7-11-24 as limited by section 5 of this chapter.
- (2) Management fees paid to the riverboat's licensed operating agent.

Sec. 5. A riverboat authorized under this article for a historic preservation district described in IC 4-33-1-1(3) must be located on real property owned by the district that is located between the two (2) historic resort hotels.

Sec. 6. The commission shall grant an owner's license to the historic preservation commission upon the fulfillment of the following requirements:

- (1) Riverboat gaming is approved in a public question.
- (2) The commission completes the investigations required under IC 4-33-6.

Sec. 7. The historic preservation commission shall contract with another person to operate a riverboat located in the district. The

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person must be a licensed operating agent under IC 4-33-6.5.

Sec. 8. The net income derived from the riverboat after the payment of all operating expenses shall be deposited in the French Lick and West Baden community trust fund established under IC 36-7-11.4.

Sec. 9. After deducting any tax revenue received under IC 4-33-12 and IC 4-33-13 that:

- (1) is expended by the historic preservation commission to carry out the historic preservation commission's duties and powers under this article, IC 36-7-11-3, and IC 36-7-11-24; or
- (2) is pledged to bonds, leases, or other obligations under IC 5-1-14-4;

the historic preservation commission shall deposit the remaining tax revenue in the French Lick and West Baden community trust fund established under IC 36-7-11.4."

Page 16, between lines 9 and 10, begin a new paragraph and insert:

"SECTION 37. IC 36-7-11-4.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4.3. (a) An ordinance that establishes a historic preservation commission under section 4 **or 4.5** of this chapter may authorize the staff of the commission, on behalf of the commission, to grant or deny an application for a certificate of appropriateness.

(b) An ordinance adopted under this section must specify the types of applications that the staff of the commission is authorized to grant or deny. The staff may not be authorized to grant or deny an application for a certificate of appropriateness for the following:

- (1) The demolition of a building.
- (2) The moving of a building.
- (3) The construction of an addition to a building.
- (4) The construction of a new building.

SECTION 36. IC 36-7-11-4.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 4.5. (a) This section applies to the following towns located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000):**

- (1) A town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200).
- (2) A town having a population of less than one thousand five hundred (1,500).

(b) The towns described in subsection (a) may enter an

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interlocal agreement under IC 36-1-7 to establish a joint historic preservation district under this chapter. An ordinance entering the interlocal agreement must provide for the following membership of the joint historic preservation district:

- (1) A member of the town council of a town described in subsection (a)(1).
- (2) A member of the town council of a town described in subsection (a)(2).
- (3) The owner of a historic resort hotel located in a town described in subsection (a)(1) or the owner's designee.
- (4) The owner of a historic resort hotel located in a town described in subsection (a)(2) or the owner's designee.
- (5) An individual appointed by the Historic Landmarks Foundation of Indiana.
- (6) A resident of a town described in subsection (a)(1).
- (7) A resident of a town described in subsection (a)(2).

(c) A member of the commission described in subsection (b)(1) or (b)(2) shall serve for the duration of the member's term of office on the town council. The members described in subsection (b)(5) through (b)(7) shall each serve for a term of three (3) years. However, the terms of the original voting members may be for one (1) year, two (2) years, or three (3) years in order for the terms to be staggered, as provided by the ordinance. A vacancy shall be filled for the duration of the term.

(d) The ordinance may provide qualifications for members of the commission described in subsection (b)(6) and (b)(7). However, members must be residents of the unit who are interested in the preservation and development of historic areas. The members of the commission should include professionals in the disciplines of architectural history, planning, and other disciplines related to historic preservation, to the extent that those professionals are available in the community. The ordinance may also provide for the appointment of advisory members that the legislative body considers appropriate.

(e) Each member of the commission must, before beginning the discharge of the duties of the member's office, do the following:

- (1) Take an oath that the member will faithfully execute the duties of the member's office according to Indiana law and rules adopted under Indiana law.
- (2) Provide a bond to the state that:
 - (A) is approved by the Indiana gaming commission;
 - (B) is for twenty-five thousand dollars (\$25,000); and



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(C) is, after being executed and approved, recorded in the office of the secretary of state.

(f) The ordinance may:

- (1) designate an officer or employee of a town described in subsection (a) to act as administrator;
- (2) permit the commission to appoint an administrator who shall serve without compensation except reasonable expenses incurred in the performance of the administrator's duties; or
- (3) provide that the commission act without the services of an administrator.

(g) Members of the commission shall serve without compensation except for reasonable expenses incurred in the performance of their duties.

(h) The commission shall elect from its membership a chairperson and vice chairperson, who shall serve for one (1) year and may be reelected.

(i) The commission shall adopt rules consistent with this chapter for the transaction of its business. The rules must include the time and place of regular meetings and a procedure for the calling of special meetings. All meetings of the commission must be open to the public, and a public record of the commission's resolutions, proceedings, and actions must be kept. If the commission has an administrator, the administrator shall act as the commission's secretary. If the commission does not have an administrator, the commission shall elect a secretary from its membership.

(j) The commission shall hold regular meetings, at least monthly, except when it has no business pending.

(k) A decision of the commission is subject to judicial review under IC 4-21.5-5 as if it were a decision of a state agency.

(l) Money acquired by the historic preservation commission:

- (1) is subject to the laws concerning the deposit and safekeeping of public money; and
- (2) must be deposited under the advisory supervision of the state board of finance in the same way and manner, at the same rate of interest, and under the same restrictions as other state money.

(m) The money of the historic preservation commission and the accounts of each officer, employee, or other person entrusted by law with the raising, disposition, or expenditure of the money or part of the money are subject to the following:

- (1) Examination by the state board of accounts.
- (2) The same penalties and the same provision for publicity



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that are provided by law for state money and state officers.

SECTION 38. IC 36-7-11-4.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4.6. An ordinance that establishes a historic preservation commission under section 4 **or 4.5** of this chapter may:

- (1) authorize the commission to:
 - (A) acquire by purchase, gift, grant, bequest, devise, or lease any real or personal property, including easements, that is appropriate for carrying out the purposes of the commission;
 - (B) hold title to real and personal property; and
 - (C) sell, lease, rent, or otherwise dispose of real and personal property at a public or private sale on the terms and conditions that the commission considers best; and
- (2) establish procedures that the commission must follow in acquiring and disposing of property.

SECTION 39. IC 36-7-11-23 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 23. (a) This section applies to a historic preservation commission established under section 4.5 of this chapter.**

(b) In addition to the commission's other duties set forth in this chapter, the commission shall do the following:

- (1) Designate a fiscal agent who must be the fiscal officer of one (1) of the towns described in section 4.5(a) of this chapter.**
- (2) Employ professional staff to assist the commission in carrying out its duties under this section.**
- (3) Engage consultants, attorneys, accountants, and other professionals necessary to carry out the commission's duties under this section.**
- (4) Own the riverboat license described in IC 4-33-6-1(a)(6).**
- (5) Develop requests for proposals for persons interested in operating and managing the riverboat authorized under IC 4-33 on behalf of the commission as the riverboat's licensed operating agent.**
- (6) Recommend a person to the gaming commission that the historic preservation commission believes will:**
 - (A) promote the most economic development in the area surrounding the historic preservation district;**
 - (B) best meet the criteria set forth in IC 4-33-6-4; and**
 - (C) best serve the interests of the citizens of Indiana.**

However, the gaming commission is not bound by the recommendation of the historic preservation commission.



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SECTION 40. IC 36-7-11-24 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 24. (a) This section applies to a historic preservation commission established under section 4.5 of this chapter.**

(b) In addition to the commission's other powers set forth in this chapter, the commission may do the following:

(1) Enter contracts to carry out the commission's duties under section 23 of this chapter, including contracts for the construction, maintenance, operation, and management of a riverboat to be operated in the historic preservation district under IC 4-33.

(2) Provide recommendations to the Indiana gaming commission concerning the operation and management of a riverboat to be operated in the historic preservation district under IC 4-33.

(c) This section may not be construed to limit the powers of the Indiana gaming commission with respect to the administration and regulation of riverboat gaming under IC 4-33.

SECTION 41. IC 36-7-11.4 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 11.4. French Lick and West Baden Community Trust Fund

Sec. 1. This section applies to a historic preservation district established under IC 36-7-11-4.5.

Sec. 2. As used in this chapter, "fund" refers to the French Lick and West Baden community trust fund established by section 4 of this chapter.

Sec. 3. As used in this chapter, "historic preservation commission" refers to the historic preservation commission established under IC 36-7-11-4.5.

Sec. 4. (a) The French Lick and West Baden community trust fund is established.

(b) The fund consists of the following:

(1) Money disbursed from the historic preservation commission.

(2) Donations.

(3) Interest and dividends on assets of the fund.

(4) Money transferred to the fund from other funds.

(5) Money from any other source.

Sec. 5. (a) The historic preservation commission shall manage

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and develop the fund and the assets of the fund.

(b) The historic preservation commission shall do the following:

- (1) Establish a policy for the investment of the fund's assets.
- (2) Perform other tasks consistent with prudent management and development of the fund.

Sec. 6. (a) Subject to the investment policy of the board, the fiscal agent appointed by the historic preservation commission shall administer the fund and invest the money in the fund.

(b) The expenses of administering the fund and implementing this chapter shall be paid from the fund.

(c) Money in the fund that is not currently needed to meet the obligations of the fund may be invested in the same manner as other public funds are invested. Interest that accrues from these investments shall be deposited in the fund.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

Sec. 7. (a) The historic preservation commission has the sole authority to allocate money from the fund for the following purposes:

- (1) The preservation, restoration, maintenance, operation, and development of the French Lick historic resort hotel.
- (2) The preservation, restoration, maintenance, operation, and development of the West Baden historic resort hotel.
- (3) Infrastructure projects and other improvements in the surrounding community.

(b) Money allocated under subsection (a)(1) and (a)(2) must be divided equally between the two historic resort hotels.

Sec. 8. The historic preservation commission shall prepare an annual report concerning the fund and submit the report to the legislative council before October 1 of each year. The report is a public record."

Page 16, after line 15, begin a new paragraph and insert:

"SECTION 38. [EFFECTIVE UPON PASSAGE] (a) This SECTION applies to a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(b) The Indiana gaming commission may not issue a license under this article to allow a riverboat to operate in the county unless the voters of:

- (1) a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200) located in the county; and



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(2) a town having a population of less than one thousand five hundred (1,500) located in the county;
have approved gambling on a riverboat in the county.

(c) Notwithstanding IC 4-33-6-19.5, as added by this act, the county election board shall place the following question on the ballot in the towns described in subsection (b) during the primary election held on May 7, 2002:

"Shall a license be issued to allow riverboat gambling in the town of _____?"

(d) Notwithstanding IC 4-33-6-19.5, as added by this act, the registered voters of the towns described in subsection (b) are not required to petition the clerk of the circuit court to place the public question described in subsection (c) on the ballot.

(e) A public question under this SECTION shall be placed on the ballot in accordance with IC 3-10-9.

(f) If a public question is placed on the ballot under this SECTION and the voters of the town do not vote in favor of allowing riverboat gambling under IC 4-33, another public question regarding riverboat gambling may not be held in the town for at least two (2) years.

(g) The clerk of the circuit court of a county holding an election under this SECTION shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

(h) This SECTION expires July 2, 2002.

SECTION 39. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 333 as reprinted January 29, 2002.)

KUZMAN, Chair

Committee Vote: yeas 7, nays 4.

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SENATE MOTION

Mr. President: I move that Senator Hume be added as coauthor of Senate Bill 333.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 333, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the committee report of the House Committee on Public Policy, Ethics and Veterans Affairs adopted February 19, 2002.

Page 1, line 5, after "racetracks" insert **"and satellite facilities"**.

Page 1, delete lines 10 through 17.

Delete pages 2 through 16, begin a new paragraph and insert:

"SECTION 2. IC 4-31-2-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 1.5. "Adjusted gross receipts" means:**

(1) the total of all cash and property (including checks received by a permit holder whether collected or not) received by a permit holder from pari-mutuel pull tab sales; minus

(2) the total of:

(A) all cash paid out as winnings for pari-mutuel pull tabs to patrons; and

(B) uncollectible pari-mutuel pull tab receivables, not to exceed the lesser of:

(i) a reasonable provision for uncollectible patron checks received from pari-mutuel pull tab sales; or

(ii) two percent (2%) of the total of all sums, including checks, whether collected or not, less the amount paid out as winnings for pari-mutuel pull tabs to patrons.

For purposes of this section, a counter or personal check that is invalid or unenforceable under this article is considered cash received by the permit holder from pari-mutuel pull tab sales.

SECTION 3. IC 4-31-2-11.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 11.5. "Pari-mutuel pull tab" means a game offered to the public in which a person who purchases a ticket or simulated ticket has the opportunity to share in a prize pool, multiple prize pools, or a shared prize pool consisting of the total amount wagered in the game minus deductions by the permit holder selling the pari-mutuel pull tab and other deductions either permitted or required by law.**

SECTION 4. IC 4-31-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 9. The commission may:**

(1) adopt rules under IC 4-22-2, including emergency rules under IC 4-22-2-37.1, to implement this article, including rules that

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prescribe:

- (A) the forms of wagering that are permitted;
- (B) the number of races;
- (C) the procedures for wagering;
- (D) the wagering information to be provided to the public;
- (E) **the hours during which a racetrack or satellite facility may sell pari-mutuel pull tabs under IC 4-31-7.5;**
- (F) fees for the issuance and renewal of:
 - (i) permits under IC 4-31-5;
 - (ii) satellite facility licenses under IC 4-31-5.5; and
 - (iii) licenses for racetrack personnel and racing participants under IC 4-31-6;
- ~~(F)~~ (G) investigative fees;
- ~~(G)~~ (H) fines and penalties; and
- ~~(H)~~ (I) any other regulation that the commission determines is in the public interest in the conduct of recognized meetings and wagering on horse racing in Indiana;
- (2) appoint employees in the manner provided by IC 4-15-2 and fix their compensation, subject to the approval of the budget agency under IC 4-12-1-13;
- (3) enter into contracts necessary to implement this article; and
- (4) receive and consider recommendations from an advisory development committee established under IC 4-31-11.

SECTION 5. IC 4-31-4-1.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1.3. (a) This section does not apply to a person who satisfies all of the following:

- (1) The person was issued a satellite facility license before January 2, 1996.
- (2) The person operated a satellite facility before January 2, 1996.
- (3) The person is currently operating the satellite facility under the license.
- (b) A person may not operate under a satellite facility license unless both of the following apply:
 - (1) The county fiscal body of the county in which the satellite facility will be operated has adopted an ordinance under section 2.5 of this chapter.
 - (2) The person secures a license under IC 4-31-5.5.
- (c) **Notwithstanding any other provision of this article, subsection (b)(1) does not apply to a permit holder who:**
 - (1) **was issued a permit before January 1, 2002; and**
 - (2) **files an application to operate a satellite facility in a county having a consolidated city.**



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SECTION 6. IC 4-31-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) A county fiscal body may adopt an ordinance permitting the filing of applications under IC 4-31-5 to conduct pari-mutuel wagering on horse races at racetracks in the county. However, before adopting the ordinance, the county fiscal body must:

- (1) conduct a public hearing on the proposed ordinance; and
- (2) publish notice of the public hearing in the manner prescribed by IC 5-3-1.

(b) The county fiscal body may:

- (1) require in the ordinance adopted by the county fiscal body that before applications under IC 4-31-5 to conduct pari-mutuel wagering on horse races at racetracks in the county may be filed, the voters of the county must approve the conducting of horse racing meetings in the county under section 3 of this chapter; or
- (2) amend an ordinance already adopted by the county fiscal body to require that before applications under IC 4-31-5 to conduct pari-mutuel wagering on horse races at racetracks in the county may be filed, the voters of the county must approve the conducting of horse racing meetings in the county under section 3 of this chapter.

An ordinance adopted under this section may not be amended to apply to a person who has already been issued a permit under IC 4-31-5 before amendment of the ordinance.

(c) An ordinance adopted under this section authorizing a person to conduct pari-mutuel wagering on horse races at racetracks in the county may not be amended with the intent to restrict a permit holder's ability to sell pari-mutuel pull tabs under IC 4-31-7.5. An ordinance adopted by the county fiscal body permitting the sale of pari-mutuel pull tabs is not a requirement for the lawful sale of pari-mutuel pull tabs under IC 4-31-7.5.

SECTION 7. IC 4-31-4-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2.5. (a) A county fiscal body may adopt an ordinance permitting the filing of applications under IC 4-31-5.5 for operation of a satellite facility in the county. However, before adopting the ordinance, the county fiscal body must:

- (1) conduct a public hearing on the proposed ordinance; and
- (2) publish notice of the public hearing in the manner prescribed by IC 5-3-1.

(b) The county fiscal body may:

- (1) require in the ordinance adopted by the county fiscal body that before applications under IC 4-31-5.5 to operate a satellite facility

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in the county may be filed, the voters of the county must approve the operation of a satellite facility in the county under section 3 of this chapter; or

(2) amend an ordinance already adopted in the county to require that before applications under IC 4-31-5.5 to operate a satellite facility in the county may be filed, the voters of the county must approve the operation of a satellite facility in the county under section 3 of this chapter.

An ordinance adopted under this section may not be amended to apply to a person who was issued a license under IC 4-31-5.5 before the ordinance was amended.

(c) Notwithstanding any other provision of this article, this section does not apply to a permit holder who:

- (1) was issued a permit before January 1, 2002; and**
- (2) files an application to operate a satellite facility in a county having a consolidated city.**

SECTION 8. IC 4-31-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) This section does not apply to either of the following:

- (1) A permit holder who satisfies all of the following:
 - (A) The permit holder was issued a permit before January 2, 1996.
 - (B) The permit holder conducted live racing before January 2, 1996.
 - (C) The permit holder is currently operating under the permit.
- (2) A person who satisfies all of the following:
 - (A) The person was issued a satellite facility license before January 2, 1996.
 - (B) The person operated a satellite facility before January 2, 1996.
 - (C) The person is currently operating the satellite facility under the license.
- (b) This section applies if either of the following apply:
 - (1) Both of the following are satisfied:
 - (A) An ordinance is adopted under section 2 or 2.5 of this chapter.
 - (B) The ordinance requires the voters of the county to approve either of the following:
 - (i) The conducting of horse racing meetings in the county.
 - (ii) The operation of a satellite facility in the county.
 - (2) A local public question is required to be held under section 2.7 of this chapter following the filing of a petition with the

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circuit court clerk:

(A) signed by at least the number of registered voters of the county required under IC 3-8-6-3 to place a candidate on the ballot; and

(B) requesting that the local public question set forth in subsection (d) be placed on the ballot.

(c) Notwithstanding any other provision of this article, the commission may not issue a recognized meeting permit under IC 4-31-5 to allow the conducting of or the assisting of the conducting of a horse racing meeting unless the voters of the county in which the property is located have approved conducting recognized meetings in the county.

(d) For a local public question required to be held under subsection (c), the county election board shall place the following question on the ballot in the county during the next general election:

"Shall horse racing meetings at which pari-mutuel wagering occurs be allowed in _____ County?"

(e) Notwithstanding any other provision of this article, the commission may not issue a satellite facility license under IC 4-31-5.5 to operate a satellite facility unless the voters of the county in which the satellite facility will be located approve the operation of the satellite facility in the county.

(f) For a local public question required to be held under subsection (e), the county election board shall place the following question on the ballot in the county during the next general election:

"Shall satellite facilities at which pari-mutuel wagering occurs be allowed in _____ County?"

(g) A public question under this section must be certified in accordance with IC 3-10-9-3 and shall be placed on the ballot in accordance with IC 3-10-9.

(h) The circuit court clerk of a county holding an election under this chapter shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

(i) If a public question is placed on the ballot under subsection (d) or (f) in a county and the voters of the county do not vote in favor of the public question, a second public question under that subsection may not be held in the county for at least two (2) years. If the voters of the county vote to reject the public question a second time, a third or subsequent public question under that subsection may not be held in the county until the general election held during the tenth year following the year of the previous public question held under that subsection.



(j) Notwithstanding any other provision of this article, this section does not apply to a permit holder who:

- (1) was issued a permit before January 1, 2002; and**
- (2) files an application to operate a satellite facility in a county having a consolidated city.**

SECTION 9. IC 4-31-5-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15. **Except as provided in IC 4-31-7.5**, any fees or penalties collected by the commission under ~~IC 4-31-3-9(1)(E)~~ **IC 4-31-3-9(1)(F)** through ~~IC 4-31-3-9(1)(G)~~ **IC 4-31-3-9(1)(H)** shall be paid into the state general fund.

SECTION 10. IC 4-31-5.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) As used in this section, "live racing day" means a day on which at least eight (8) live horse races are conducted.

(b) The commission's authority to issue satellite facility licenses is subject to the following conditions:

- (1) The commission may issue four (4) satellite facility licenses to each permit holder that:
 - (A) conducts at least one hundred twenty (120) live racing days per year at the racetrack designated in the permit holder's permit; and
 - (B) meets the other requirements of this chapter and the rules adopted under this chapter.

If a permit holder that operates satellite facilities does not meet the required minimum number of live racing days, the permit holder may not operate the permit holder's satellite facilities during the following year. However, the requirement for one hundred twenty (120) live racing days does not apply if the commission determines that the permit holder is prevented from conducting live horse racing as a result of a natural disaster or other event over which the permit holder has no control. In addition, if the initial racing meeting conducted by a permit holder commences at such a time as to make it impractical to conduct one hundred twenty (120) live racing days during the permit holder's first year of operations, the commission may authorize the permit holder to conduct simulcast wagering during the first year of operations with fewer than one hundred twenty (120) live racing days.

- (2) Each proposed satellite facility must be covered by a separate application. The timing for filing an initial application for a satellite facility license shall be established by the rules of the

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commission.

(3) A satellite facility must:

- (A) have full dining service available;
- (B) have multiple screens to enable each patron to view simulcast races; and
- (C) be designed to seat comfortably a minimum of four hundred (400) persons.

(4) In determining whether a proposed satellite facility should be approved, the commission shall consider the following:

- (A) The purposes and provisions of this chapter.
- (B) The public interest.
- (C) The impact of the proposed satellite facility on live racing.
- (D) The impact of the proposed satellite facility on the local community.
- (E) The potential for job creation.
- (F) The quality of the physical facilities and the services to be provided at the proposed satellite facility.
- (G) Any other factors that the commission considers important or relevant to its decision.

(5) The commission may not issue a license for a satellite facility to be located in a county unless IC 4-31-4 has been satisfied.

(6) Not more than one (1) license may be issued to each permit holder to operate a satellite facility located in a county having a consolidated city. The maximum number of licenses that the commission may issue for satellite facilities to be located in a county having a consolidated city is two (2) licenses.

SECTION 11. IC 4-31-5.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. A permit holder or group of permit holders that is authorized to operate satellite facilities may accept and transmit pari-mutuel wagers on horse racing at those facilities and may engage in all activities necessary to establish and operate appropriate satellite wagering facilities, including the following:

- (1) Live simulcasts of horse racing conducted at the permit holder's racetrack or at other racetracks. However, a satellite facility operated by a permit holder may not simulcast races conducted in other states on any day that is not a live racing day (as defined in section 3 of this chapter) unless the satellite facility also simulcasts all available races conducted in Indiana on that day.
- (2) Construction or leasing of satellite wagering facilities.
- (3) Sale of food and beverages.



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(4) Advertising and promotion.

(5) **Sale of pari-mutuel pull tabs authorized under IC 4-31-7.5.**

(6) All other related activities.

SECTION 12. IC 4-31-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) A person holding a permit to conduct a horse racing meeting or a license to operate a satellite facility may provide a place in the racing meeting grounds or enclosure or the satellite facility at which the person may conduct and supervise the pari-mutuel system of wagering by patrons of legal age on the horse races conducted or simulcast by the person. The person may not permit or use:

(1) another place other than that provided and designated by the person; or

(2) another method or system of betting or wagering. **However, a person holding a permit to conduct a horse racing meeting may permit wagering on pari-mutuel pull tabs at the person's racetrack or satellite facility as permitted by IC 4-31-7.5.**

(b) Except as provided in section 7 of this chapter and IC 4-31-5.5, the pari-mutuel system of wagering may not be conducted on any races except the races at the racetrack, grounds, or enclosure for which the person holds a permit.

SECTION 13. IC 4-31-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) A person less than ~~eighteen (18)~~ **twenty-one (21)** years of age may not wager at a horse racing meeting.

(b) A person less than ~~seventeen (17)~~ **eighteen (18)** years of age may not enter the grandstand, clubhouse, or similar areas of a racetrack at which wagering is permitted unless accompanied by a person who is at least twenty-one (21) years of age.

(c) A person less than eighteen (18) years of age may not enter a satellite facility.

(d) A person less than twenty-one (21) years of age may not enter the part of a satellite facility or racetrack in which pari-mutuel pull tabs are sold and redeemed.

SECTION 14. IC 4-31-7.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 7.5. Pari-Mutuel Pull Tabs

Sec. 1. (a) This chapter applies only to the sale of pari-mutuel pull tabs by a person who holds a permit to conduct a pari-mutuel horse racing meeting issued under IC 4-31-5.

(b) This chapter does not apply to the sale of pull tabs by a

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qualified organization (as defined in IC 4-32-6-20) under IC 4-32.

Sec. 2. A pari-mutuel pull tab game must be conducted in the following manner:

- (1) Each set of tickets must have a predetermined:
 - (A) total purchase price; and
 - (B) amount of prizes.
- (2) Randomly ordered pari-mutuel pull tab tickets may be distributed from an approved location or from a distribution device to:
 - (A) the permit holder at the permit holder's racetrack or satellite facility, or both; or
 - (B) a terminal or device of the permit holder at the permit holder's racetrack or satellite facility, or both.
- (3) A pari-mutuel pull tab ticket must be presented to a player in the form of a paper ticket or display on a terminal or device.
- (4) Game results must be initially covered or otherwise concealed from view on the pari-mutuel pull tab ticket, terminal, or device so that the number, letter, symbol, or set of numbers, letters, or symbols cannot be seen until the concealing medium is removed.
- (5) A winner is identified after the display of the game results when a player removes the concealing medium of the pari-mutuel pull tab ticket or display on a terminal or device.
- (6) A winner shall receive the prize or prizes posted or displayed for the game from the permit holder.

Sec. 3. A person less than twenty-one (21) years of age may not purchase a pari-mutuel pull tab ticket.

Sec. 4. The sale price of a pari-mutuel pull tab ticket may not exceed ten dollars (\$10).

Sec. 5. (a) The sale, purchase, and redemption of pari-mutuel pull tab tickets are limited to the following locations:

- (1) A live pari-mutuel horse racing facility operated by a permit holder under a recognized meeting permit first issued before January 1, 2002.
- (2) A satellite facility that is located in a county having a consolidated city and that is operated by a permit holder described in subdivision (1).

(b) A permit holder may not install more than seven hundred fifty (750) pull tab terminals or devices on the premises of the permit holder's live pari-mutuel horse racing facility or satellite facility located in a county containing a consolidated city.



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Sec. 6. The number and size of the prizes in a pari-mutuel pull tab game must be finite but may not be limited.

Sec. 7. A list of prizes for winning pari-mutuel pull tab tickets must be posted or displayed at a location where the tickets are sold.

Sec. 8. A permit holder may close a pari-mutuel pull tab game at any time.

Sec. 9. A terminal or device selling pari-mutuel pull tab tickets may be operated by a player without the assistance of the permit holder for the sale and redemption of pari-mutuel pull tab tickets.

Sec. 10. A terminal or device selling pari-mutuel pull tab tickets may not dispense coins or currency as prizes for winning tickets. Prizes awarded by a terminal or device must be in the form of credits for additional play or certificates redeemable for cash or prizes.

Sec. 11. (a) A tax is imposed on the adjusted gross receipts received from the sale of pari-mutuel pull tabs authorized under this article at the rate of thirty percent (30%) of the amount of the adjusted gross receipts.

(b) The permit holder shall remit the tax imposed by this section to the department before the close of the business day following the day the pari-mutuel pull tabs are sold.

(c) The department may require payment under this section to be made by electronic funds transfer (as defined in IC 4-8.1-2-7(f)).

(d) If the department requires taxes to be remitted under this chapter through electronic funds transfer, the department may allow the permit holder to file a monthly report to reconcile the amounts remitted to the department.

(e) The department may allow taxes remitted under this section to be reported on the same form used for taxes paid under IC 4-31-9.

Sec. 12. (a) The state pull tab wagering fund is established. Money in the fund does not revert to the state general fund at the end of the state fiscal year.

(b) The department shall deposit tax revenue collected under section 11 of this chapter in the state pull tab wagering fund.

(c) Each month, the treasurer of state shall distribute the pull tab wagering tax revenue deposited in the state pull tab wagering fund under this section as follows:

(1) Twenty-five percent (25%) of the pull tab wagering tax revenue remitted by a permit holder shall be paid:

(A) to the city in which the racetrack from which the tax revenue was collected is located, in the case of a racetrack

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that is located in an incorporated area;
 (B) to the county in which the racetrack from which the tax revenue was collected is located, in the case of a racetrack that is not located in an incorporated area; or
 (C) as follows, with respect to tax revenue that is collected from a satellite facility located in a county containing a consolidated city:

- (i) Fifty percent (50%) to the consolidated city.
- (ii) Twenty-five percent (25%) to the housing trust fund established under IC 36-7-15.1-35.5(e).
- (iii) Fifteen percent (15%) to the county for the purposes of economic development.
- (iv) Ten percent (10%) to the township in which the satellite facility is located.

(2) Seventy-five percent (75%) of the pull tab wagering tax revenue remitted by a permit holder shall be paid to the state general fund.

Sec. 13. (a) A tax is imposed on admissions to that part of a satellite facility or racetrack in which pari-mutuel pull tabs are sold, redeemed, or purchased under this chapter at a rate of two dollars (\$2) for each person admitted pull tab wagering area of the satellite facility or racetrack.

(b) A permit holder must pay the admissions taxes collected to the department. The licensed owner must make the tax payments each day for the preceding day's admissions.

(c) The payment of the tax under this section must be on a form prescribed by the department.

(d) The department may require payment under this section to be made by electronic funds transfer (as defined in IC 4-8.1-2-7(e)).

(e) If the department requires taxes to be paid under this section through electronic funds transfer, the department may allow the licensed owner to file a monthly report to reconcile the amount of taxes paid to the department.

(f) The department shall deposit tax revenue collected under this section in the state pull tab wagering fund.

Sec. 14. (a) Except as provided in subsection (b), the treasurer of state shall distribute the pull tab admissions tax revenue deposited in the state pull tab wagering fund under section 13 of this chapter as follows:

- (1) One dollar (\$1) of the admissions tax collected for each person admitted to the pari-mutuel pull tab wagering area of the permit holder's racetrack shall be paid to the general fund



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of the county in which the racetrack is located.

(2) One dollar (\$1) of the admissions tax collected for each person admitted to the pari-mutuel pull tab wagering area of the permit holder's racetrack shall be paid to the school corporations located in the county to be used for capital projects. The admissions taxes distributed under this subdivision must be divided among the school corporations on a pro rata basis according to each school corporation's ADM (as defined in IC 21-3-1.6-1.1).

(b) With respect to the admissions taxes collected from a satellite facility located in a county containing a consolidated city, two dollars (\$2) of the admissions tax collected for each person admitted to the pari-mutuel pull tab wagering area of the satellite facility shall be paid to the school corporations located in the county to be used for capital projects. The admissions taxes distributed under this subsection must be divided among the school corporations on a pro rata basis according to each school corporation's ADM (as defined in IC 21-3-1.6-1.1).

Sec. 15. (a) The Indiana gaming commission shall adopt rules under IC 4-22-2, including emergency rules under IC 4-22-2-37.1, to implement this chapter, including rules that prescribe:

- (1) an approval process for pari-mutuel pull tab games that requires periodic testing of the games and equipment by an independent entity under the oversight of the gaming commission to ensure the integrity of the games to the public;
- (2) a system of internal audit controls;
- (3) a method of payment for pari-mutuel pull tab prizes that allows a player to transfer credits from one (1) terminal or device to another;
- (4) a method of payment for pari-mutuel pull tab prizes that allows a player to redeem a winning ticket for additional play tickets or credit to permit purchase of additional play tickets; and
- (5) any other procedure or requirement necessary for the efficient and economical operation of the pari-mutuel pull tab games and the convenience of the public.

(b) The Indiana gaming commission may enter into a contract with the Indiana horse racing commission for the provision of services necessary to administer pari-mutuel pull tab games.

Sec. 16. The Indiana gaming commission may assess an administrative fee to a permit holder offering pari-mutuel pull tab games in an amount that allows the gaming commission to recover

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all the gaming commission's costs of administering the pari-mutuel pull tab games.

Sec. 17. The Indiana gaming commission may not permit the sale of pari-mutuel pull tab tickets in a county where a riverboat is docked.

Sec. 18. All shipments of gambling devices, including pari-mutuel pull tab machines, to permit holders in Indiana, the registering, recording, and labeling of which have been completed by the manufacturer or dealer in accordance with 15 U.S.C. 1171 through 15 U.S.C. 1178, are legal shipments of gambling devices into Indiana.

Sec. 19. Under 15 U.S.C. 1172, approved January 2, 1951, the state of Indiana, acting by and through elected and qualified members of the legislature, declares and proclaims that the state is exempt from 15 U.S.C. 1172.

Sec. 20. The sale, purchase, and redemption of pari-mutuel pull tab tickets under this chapter shall be regulated and administered by the Indiana gaming commission.

SECTION 15. IC 4-31-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. A person that holds a permit to conduct a horse racing meeting or a license to operate a satellite facility shall withhold:

(1) eighteen percent (18%) of the total of money wagered on each day at the racetrack or satellite facility (including money wagered on exotic wagering pools, **but excluding money wagered on pari-mutuel pull tabs under IC 4-31-7.5**); plus

(2) an additional three and one-half percent (3.5%) of the total of all money wagered on exotic wagering pools on each day at the racetrack or satellite facility.

SECTION 16. IC 4-31-14 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 14. Minority and Women's Business Participation

Sec. 1. This chapter applies to a person holding a permit to operate a racetrack under IC 4-31-5 at which pari-mutuel pull tab tickets are sold or a license to operate a satellite facility under IC 4-31-5.5 at which pari-mutuel pull tab tickets are sold.

Sec. 2. The general assembly declares that it is essential for minority and women's business enterprises to have the opportunity for full participation in the pari-mutuel pull tab game industry if minority and women's business enterprises are to obtain social and economic parity and if the economies of the cities, towns, and

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counties in which pari-mutuel pull tab games are operated are to be stimulated as contemplated by this article.

Sec. 3. As used in this chapter, "minority" means a person who is one (1) of the following:

- (1) Black.
- (2) Hispanic.
- (3) Asian American.
- (4) Native American or Alaskan native.

Sec. 4. As used in this chapter, "minority business enterprise" means a business that is one (1) of the following:

- (1) A sole proprietorship owned and controlled by a minority.
- (2) A partnership or joint venture owned and controlled by minorities:
 - (A) in which at least fifty-one percent (51%) of the ownership interest is held by at least one (1) minority; and
 - (B) the management and daily business operations of which are controlled by at least one (1) of the minorities who own the business.
- (3) A corporation or other entity:
 - (A) whose management and daily business operations are controlled by at least one (1) of the minorities who own the business; and
 - (B) that is at least fifty-one percent (51%) owned by at least one (1) minority or, if stock is issued, at least fifty-one percent (51%) of the stock is owned by at least one (1) minority.

Sec. 5. As used in this chapter, "women's business enterprise" means a business that is one (1) of the following:

- (1) A sole proprietorship owned and controlled by a woman.
- (2) A partnership or joint venture owned and controlled by women in which:
 - (A) at least fifty-one percent (51%) of the ownership is held by women; and
 - (B) the management and daily business operations are controlled by at least one (1) of the women who own the business.
- (3) A corporation or other entity:
 - (A) whose management and daily business operations are controlled by at least one (1) of the women who own the business; and
 - (B) that is at least fifty-one percent (51%) owned by women or, if stock is issued, at least fifty-one percent



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(51%) of the stock is owned by at least one (1) of the women.

Sec. 6. (a) As used in this section, "goods and services" does not include the following:

- (1) Utilities and taxes.
- (2) Financing costs, mortgages, loans, or other debt.
- (3) Medical insurance.
- (4) Fees and payments to a parent or an affiliated company of the permit holder or satellite facility operator, other than fees and payments for goods and services supplied by nonaffiliated persons through an affiliated company for the use or benefit of the permit holder or satellite facility operator.
- (5) Rents paid for real property or payment constituting the price of an interest in real property as a result of a real estate transaction.

(b) Notwithstanding any law or rule to the contrary, a permit holder operating a horse racetrack or a satellite facility shall establish goals of expending at least the following:

- (1) The greater of:
 - (A) ten percent (10%) of the dollar value of the permit holder or satellite facility operator's contracts for goods and services with minority business enterprises; or
 - (B) the percentage of the dollar value of the permit holder or satellite facility operator's contracts for goods and services with minority business enterprises that represents the percentage of minorities who reside in the county in which the racetrack or satellite facility is located.
- (2) Five percent (5%) of the dollar value of the permit holder or satellite facility operator's contracts for goods and services with women's business enterprises.

A permit holder or satellite facility operator shall submit quarterly reports to the commission that outline the total dollar value of contracts awarded for goods and services and the percentage awarded to minority and women's business enterprises.

(c) A permit holder or satellite facility operator shall make a good faith effort to meet the requirements of this section and shall quarterly, unless otherwise directed by the commission, demonstrate to the commission at a public meeting that an effort was made to meet the requirements.

(d) A permit holder or satellite facility operator may fulfill not more than seventy percent (70%) of an obligation under this chapter by requiring a vendor to set aside a part of a contract for

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minority or women's business enterprises. Upon request, the permit holder or satellite facility operator shall provide the commission with proof of the amount set aside.

Sec. 7. If the commission determines that the provisions of this chapter relating to expenditures and assignments to minority and women's business enterprises have not been met by a permit holder or satellite facility operator, the commission may suspend, limit, or revoke the person's satellite facility license or recognized meeting permit, impose a civil penalty, or impose appropriate conditions on the license or permit to ensure that the goals for expenditures and assignments to minority and women's business enterprises are met. However, if a determination is made that a permit holder or satellite facility operator has failed to demonstrate compliance with this chapter, the person has ninety (90) days from the date of the determination of noncompliance to comply.

Sec. 8. The commission shall deposit civil penalties imposed under section 7 of this chapter in the women and minority business assistance fund established by section 12 of this chapter.

Sec. 9. The commission shall establish and administer a unified certification procedure for minority and women's business enterprises that do business with permit holders and satellite facility operators on contracts for goods and services or contracts for business.

Sec. 10. The commission shall supply permit holders and satellite facility operators with a list of the minority and women's business enterprises the commission has certified under section 9 of this chapter. The commission shall review the list at least annually to determine the minority and women's business enterprises that should continue to be certified. The commission shall establish a procedure for challenging the designation of a certified minority or women's business enterprise. The procedure must include proper notice and a hearing for all parties concerned.

Sec. 11. The commission shall adopt other rules necessary to interpret and implement this chapter.

Sec. 12. (a) The women and minority business assistance fund is established to assist women and minority business enterprises. The fund shall be administered by the commission. The fund consists of penalties imposed by the commission under section 7 of this chapter.

(b) The expenses of administering the fund shall be paid from money in the fund.

(c) The treasurer of state shall invest money in the fund not

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currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

SECTION 17. IC 4-33-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. This article applies only to the following:

- (1) Counties contiguous to Lake Michigan.
- (2) Counties contiguous to the Ohio River.
- (3) ~~Counties contiguous to Patoka Lake.~~ **A historic preservation district that:**
 - (A) is established under IC 36-7-11;**
 - (B) is located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000); and**
 - (C) consists solely of the real property owned by the historic resort hotels located in:**
 - (i) a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200); and**
 - (ii) a town having a population of less than one thousand five hundred (1,500).**

SECTION 18. IC 4-33-2-5.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 5.6. "Cruise" means to depart from the dock while gambling is conducted.**

SECTION 19. IC 4-33-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. "Dock" means the location where ~~an excursion~~ a riverboat moors for the purpose of embarking passengers for and disembarking passengers from ~~a gambling excursion.~~ **the riverboat.**

SECTION 20. IC 4-33-2-11.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 11.5. "Historic resort hotel" means a structure originally built as a hotel that contained at least three hundred (300) sleeping rooms on or before January 1, 1930.**

SECTION 21. IC 4-33-2-13.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 13.5. "Licensed operating agent" means a person licensed under IC 4-33-6.5 to operate a riverboat in a historic preservation district described in IC 4-33-1-1(3) on**



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behalf of the district's historic preservation commission.

SECTION 22. IC 4-33-2-14.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 14.5. "Operating agent's license" means a license issued under IC 4-33-6.5 that allows a person to operate a riverboat in a historic preservation district described in IC 4-33-1-1(3) on behalf of the district's historic preservation commission.**

SECTION 23. IC 4-33-2-15.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 15.5. "Patron" means an individual who:**

- (1) boards a riverboat; and**
- (2) is not entitled to receive a tax free pass.**

SECTION 24. IC 4-33-2-15.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 15.7. "Permanently moored vessel" means a floating vessel that is:**

- (1) incapable of self-propulsion; and**
- (2) out of navigation.**

The term includes a barge.

SECTION 25. IC 4-33-2-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 16. "Person" means an individual, a sole proprietorship, a partnership, an association, a fiduciary, a corporation, a limited liability company, a historic preservation district, or any other business entity.**

SECTION 26. IC 4-33-2-16.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 16.3. "Pari-mutuel pull tab" has the meaning set forth in IC 4-31-2-11.5.**

SECTION 27. IC 4-33-2-16.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 16.5. "Reporting period" means a twenty-four (24) hour increment used by the department under this article, commencing at 6 a.m. on one (1) day and concluding at 5:59 a.m. the following day.**

SECTION 28. IC 4-33-2-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 17. "Riverboat" means either of the following on which lawful gambling is authorized under this article:**

- (1) A self-propelled excursion boat located in a county or historic preservation district described in IC 4-33-1-1 on which lawful**

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gambling is authorized and licensed under this article: **that complies with IC 4-33-6-6.**

(2) A permanently moored vessel authorized under IC 4-33-6-10(b) that complies with IC 4-33-17.

SECTION 29. IC 4-33-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. The commission shall adopt rules under IC 4-22-2 for the following purposes:

- (1) Administering this article.
- (2) Establishing the conditions under which riverboat gambling in Indiana may be conducted.
- (3) Providing for the prevention of practices detrimental to the public interest and providing for the best interests of riverboat gambling.
- ~~(4) With respect to riverboats that operate on Patoka Lake, ensuring:~~
 - (A) the prevention of practices detrimental to the natural environment and scenic beauty of Patoka Lake; and
 - (B) compliance by licensees and riverboat patrons with the requirements of ~~IC 14-26-2-5 and IC 14-28-1.~~
- ~~(5)~~ **(4)** Establishing rules concerning inspection of riverboats and the review of the permits or licenses necessary to operate a riverboat.
- ~~(6)~~ **(5)** Imposing penalties for noncriminal violations of this article.
- (6) Establishing ethical standards regulating the conduct of members of a historic preservation commission established under IC 36-7-11-4.5 with regard to the selection and licensure of an operating agent to operate a riverboat in a historic preservation district described in IC 4-33-1-1(3).**
- (7) Establishing the conditions under which the sale, purchase, and redemption of pari-mutuel pull tabs may be conducted under IC 4-31-7.5.**

SECTION 30. IC 4-33-4-3, AS AMENDED BY P.L.14-2000, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) The commission shall do the following:

- (1) Adopt rules that the commission determines necessary to protect or enhance the following:
 - (A) The credibility and integrity of gambling operations authorized by this article.
 - (B) The regulatory process provided in this article.
 - ~~(C) The natural environment and scenic beauty of Patoka Lake.~~



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- (2) Conduct all hearings concerning civil violations of this article.
- (3) Provide for the establishment and collection of license fees and taxes imposed under this article.
- (4) Deposit the license fees and taxes in the state gaming fund established by IC 4-33-13.
- (5) Levy and collect penalties for noncriminal violations of this article.
- (6) Deposit the penalties in the state gaming fund established by IC 4-33-13.
- (7) Be present through the commission's inspectors and agents during the time gambling operations are conducted on a riverboat to do the following:

- (A) Certify the revenue received by a riverboat.
- (B) Receive complaints from the public.
- (C) Conduct other investigations into the conduct of the gambling games and the maintenance of the equipment that the commission considers necessary and proper.
- ~~(D) With respect to riverboats that operate on Patoka Lake, ensure compliance with the following:~~
 - ~~(i) IC 14-26-2-6.~~
 - ~~(ii) IC 14-26-2-7.~~
 - ~~(iii) IC 14-28-1.~~

- (8) Adopt emergency rules under IC 4-22-2-37.1 if the commission determines that:

- (A) the need for a rule is so immediate and substantial that rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 are inadequate to address the need; and
- (B) an emergency rule is likely to address the need.

(b) The commission shall begin rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 to adopt an emergency rule adopted under subsection (a)(8) not later than thirty (30) days after the adoption of the emergency rule under subsection (a)(8).

SECTION 31. IC 4-33-4-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. **If a riverboat cruises**, the commission shall authorize the route of ~~a the~~ riverboat and the stops, if any, that the riverboat may make **while on a cruise**.

SECTION 32. IC 4-33-4-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 13. (a) **This section does not apply to a riverboat located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).**

(b) After consulting with the United States Army Corps of

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Engineers, the commission may do the following:

- (1) Determine the waterways that are navigable waterways for purposes of this article.
- (2) Determine the navigable waterways that are suitable for the operation of riverboats under this article.
- ~~(b)~~ (c) In determining the navigable waterways on which riverboats may operate, the commission shall do the following:
 - (1) Obtain any required approvals from the United States Army Corps of Engineers for the operation of riverboats on those waterways.
 - (2) Consider the economic benefit that riverboat gambling provides to Indiana.
 - (3) Seek to ensure that all regions of Indiana share in the economic benefits of riverboat gambling.
 - ~~(4) Considering IC 14-26-2-6, IC 14-26-2-7, and IC 14-28-1, conduct a feasibility study concerning:~~
 - ~~(A) the environmental impact of the navigation and docking of riverboats upon Patoka Lake; and~~
 - ~~(B) the impact of the navigation and docking of riverboats upon the scenic beauty of Patoka Lake.~~

SECTION 33. IC 4-33-4-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15. The commission shall annually do the following:

- (1) Review the patterns of wagering and wins and losses by persons on riverboat gambling operations under this article.
- (2) Make recommendations to the governor and the general assembly concerning whether limits on wagering losses should be imposed.
- ~~(3) Examine the impact on the natural environment and scenic beauty of Patoka Lake made by the navigation and docking of riverboats.~~

SECTION 34. IC 4-33-4-21.2, AS AMENDED BY P.L.215-2001, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 21.2. (a) The Indiana gaming commission shall require a licensed owner to conspicuously display the number of the toll free telephone line described in IC 4-33-12-6 in the following locations:

- (1) On each admission ticket to a riverboat ~~gambling excursion;~~
if tickets are issued.
 - (2) On a poster or placard that is on display in a public area of each riverboat where gambling games are conducted.
- (b) The toll free telephone line described in IC 4-33-12-6 must be:



- (1) maintained by the division of mental health and addiction under IC 12-23-1-6; and
- (2) funded by the addiction services fund established by IC 12-23-2-2.

(c) The commission may adopt rules under IC 4-22-2 necessary to carry out this section.

SECTION 35. IC 4-33-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) The commission may issue to a person a license to own ~~one (1)~~ a riverboat subject to the numerical and geographical limitation of owner's licenses under this section, **section 3.5 of this chapter**, and IC 4-33-4-17. However, not more than eleven (11) owner's licenses may be in effect at any time. Except as provided in subsection (b), those eleven (11) licenses are as follows:

- (1) Two (2) licenses for a riverboat that operates from the largest city located in the counties described under IC 4-33-1-1(1).
- (2) One (1) license for a riverboat that operates from the second largest city located in the counties described under IC 4-33-1-1(1).
- (3) One (1) license for a riverboat that operates from the third largest city located in the counties described under IC 4-33-1-1(1).
- (4) One (1) license for a city located in the counties described under IC 4-33-1-1(1). This license may not be issued to a city described in subdivisions (1) through (3).
- (5) A total of five (5) licenses for riverboats that operate upon the Ohio River from counties described under IC 4-33-1-1(2). The commission may not issue a license to an applicant if the issuance of the license would result in more than one (1) riverboat operating from a county described in IC 4-33-1-1(2).
- (6) One (1) license for a riverboat that operates ~~upon Patoka Lake from a county in a historic preservation district~~ described under IC 4-33-1-1(3).

(b) If a city described in subsection (a)(2) or (a)(3) conducts two (2) elections under section 20 of this chapter, and the voters of the city do not vote in favor of permitting riverboat gambling at either of those elections, the license assigned to that city under subsection (a)(2) or (a)(3) may be issued to any city that:

- (1) does not already have a riverboat operating from the city; and
- (2) is located in a county described in IC 4-33-1-1(1).

SECTION 36. IC 4-33-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) A person

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applying for an owner's license under this chapter must pay a nonrefundable application fee to the commission. The commission shall determine the amount of the application fee. **However, the historic preservation district described in IC 4-33-1-1(3) or a member of the district's historic preservation commission is not required to pay the fee charged under this subsection.**

(b) An applicant must submit the following on forms provided by the commission:

- (1) If the applicant is an individual, two (2) sets of the individual's fingerprints.
- (2) If the applicant is not an individual, two (2) sets of fingerprints for each officer and director of the applicant.

(c) The commission shall review the applications for an owner's license under this chapter and shall inform each applicant of the commission's decision concerning the issuance of the owner's license.

(d) The costs of investigating an applicant for an owner's license under this chapter shall be paid from the application fee paid by the applicant.

(e) An applicant for an owner's license under this chapter must pay all additional costs that are:

- (1) associated with the investigation of the applicant; and
- (2) greater than the amount of the application fee paid by the applicant.

(f) The commission shall recoup all of the costs associated with investigating or reinvestigating an applicant that is a member of a historic preservation commission described in subsection (a) by imposing a special investigation fee upon the historic preservation commission's licensed operating agent.

SECTION 37. IC 4-33-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. The commission may not issue an owner's license under this chapter to a person if:

- (1) the person has been convicted of a felony under Indiana law, the laws of any other state, or laws of the United States;
- (2) the person has knowingly or intentionally submitted an application for a license under this chapter that contains false information;
- (3) the person is a member of the commission;
- (4) the person is an officer, a director, or a managerial employee of a person described in subdivision (1) or (2);
- (5) the person employs an individual who:
 - (A) is described in subdivision (1), (2), or (3); and
 - (B) participates in the management or operation of gambling

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operations authorized under this article;

(6) the person owns an ownership interest of more than ~~ten percent (10%) in more than one (1) other person holding an owner's license issued under the total amount of ownership interest permitted under section 3.5 of this chapter~~; or

(7) a license issued to the person:

(A) under this article; or

(B) to own or operate gambling facilities in another jurisdiction;

has been revoked.

SECTION 38. IC 4-33-6-3.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2002]: **Sec. 3.5. (a) For purposes of this section, a person is considered to have an ownership interest in a riverboat owner's license if the interest is owned directly or indirectly by the person or by an entity controlled by the person.**

(b) A person may have up to a one hundred percent (100%) ownership interest in not more than two (2) riverboat licenses issued under this chapter.

(c) A person may not have an ownership interest in more than two (2) riverboat owner's licenses issued under this chapter.

(d) This section may not be construed to increase the maximum number of licenses permitted under section 1 of this chapter or the number of riverboats that may be owned and operated under a license under section 10 of this chapter.

SECTION 39. IC 4-33-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 5. (a) This section does not apply to a riverboat located in a historic preservation district described in IC 4-33-1-1(3).**

(b) In an application for an owner's license, the applicant must state the dock at which the riverboat is based and the navigable waterway on which the riverboat will operate.

SECTION 40. IC 4-33-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 6. (a) A riverboat that operates in a county described in IC 4-33-1-1(1) or IC 4-33-1-1(2) must:**

(1) have a valid certificate of inspection from the United States Coast Guard for the carrying of at least five hundred (500) passengers; and

(2) be at least one hundred fifty (150) feet in length.

(b) A riverboat that operates on Patoka Lake in a county described under IC 4-33-1-1(3) must:

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- (1) have the capacity to carry at least five hundred (500) passengers;
- (2) be at least one hundred fifty (150) feet in length; and
- (3) meet safety standards required by the commission.

(c) This subsection applies only to a riverboat that operates on the Ohio River. A riverboat must replicate, as nearly as possible, historic Indiana steamboat passenger vessels of the nineteenth century. However, steam propulsion or overnight lodging facilities are not required under this subsection.

SECTION 41. IC 4-33-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. If the commission determines that a person is eligible under this chapter for an owner's license, the commission may issue an owner's license to the person if:

- (1) the person pays an initial license fee of twenty-five thousand dollars (\$25,000); and
- (2) the person posts a bond as required in section 9 of this chapter.

However, the historic preservation district described in IC 4-33-1-1(3) or a member of the district's historic preservation commission is not required to pay the fee charged under this section.

SECTION 42. IC 4-33-6-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 9. (a) **Except as provided in subsection (l),** a licensed owner must post a bond with the commission at least sixty (60) days before the commencement of ~~regular gambling on the riverboat. excursions.~~

- (b) The bond shall be furnished in:
 - (1) cash or negotiable securities;
 - (2) a surety bond:
 - (A) with a surety company approved by the commission; and
 - (B) guaranteed by a satisfactory guarantor; or
 - (3) an irrevocable letter of credit issued by a banking institution of Indiana acceptable to the commission.
- (c) If a bond is furnished in cash or negotiable securities, the principal shall be placed without restriction at the disposal of the commission, but income inures to the benefit of the licensee.
- (d) The bond:
 - (1) is subject to the approval of the commission;
 - (2) must be in an amount that the commission determines will adequately reflect the amount that a local community will expend for infrastructure and other facilities associated with a riverboat operation; and



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(3) must be payable to the commission as obligee for use in payment of the licensed owner's financial obligations to the local community, the state, and other aggrieved parties, as determined by the rules of the commission.

(e) If after a hearing (after at least five (5) days written notice) the commission determines that the amount of a licensed owner's bond is insufficient, the licensed owner shall upon written demand of the commission file a new bond.

(f) The commission may require a licensed owner to file a new bond with a satisfactory surety in the same form and amount if:

(1) liability on the old bond is discharged or reduced by judgment rendered, payment made, or otherwise; or

(2) in the opinion of the commission any surety on the old bond becomes unsatisfactory.

(g) If a new bond obtained under subsection (e) or (f) is unsatisfactory, the commission shall cancel the owner's license. If the new bond is satisfactorily furnished, the commission shall release in writing the surety on the old bond from any liability accruing after the effective date of the new bond.

(h) A bond is released on the condition that the licensed owner remains at the site for which the owner's license is granted for the lesser of:

(1) five (5) years; or

(2) the date the commission grants a license to another licensed owner to operate from the site for which the bond was posted.

(i) A licensed owner who does not meet the requirements of subsection (h) forfeits a bond filed under this section. The proceeds of a bond that is in default under this subsection are paid to the commission for the benefit of the local unit from which the riverboat operated.

(j) The total and aggregate liability of the surety on a bond is limited to the amount specified in the bond and the continuous nature of the bond may in no event be construed as allowing the liability of the surety under a bond to accumulate for each successive approval period during which the bond is in force.

(k) A bond filed under this section is released sixty (60) days after:

(1) the time has run under subsection (h); and

(2) a written request is submitted by the licensed owner.

(l) The historic preservation district described in IC 4-33-1-1(3) or a member of the district's historic preservation commission is not required to post the bond required under this section.

SECTION 43. IC 4-33-6-10 IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. (a) An owner's license issued under this chapter permits the holder to own and operate one (1) riverboat and equipment for each license.

(b) **An owner's license issued under this chapter permits the holder to:**

- (1) conduct gambling games authorized under this article while the riverboat is cruising or docked;**
- (2) allow the continuous ingress and egress of passengers for purposes of gambling; and**
- (3) conduct gambling games on a permanently moored vessel if a federally recognized Native American Indian tribe has applied to the United States Bureau of Indian Affairs to have land in a contiguous state taken into trust for a land based casino that is within thirty (30) miles of the riverboat.**

(c) An owner's license issued under this chapter must specify the place where the riverboat must operate and dock. However, the commission may permit the riverboat to dock at a temporary dock in the applicable city for a specific period of time not to exceed one (1) year after the owner's license is issued.

(d) An owner's initial license expires five (5) years after the effective date of the license.

SECTION 44. IC 4-33-6-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 11. The commission may revoke an owner's license if:

- (1) the licensee begins regular ~~riverboat excursions~~ **operations** more than twelve (12) months after receiving the commission's approval of the application for the license; and
- (2) the commission determines that the revocation of the license is in the best interests of Indiana.

SECTION 45. IC 4-33-6-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 12. (a) Unless the owner's license is terminated, expires, or is revoked, the owner's license may be renewed annually upon:

- (1) the payment of a five thousand dollar (\$5,000) annual renewal fee; and
- (2) a determination by the commission that the licensee satisfies the conditions of this article.

However, the historic preservation district described in IC 4-33-1-1(3) or a member of the district's historic preservation commission is not required to pay the fee charged under this section.

(b) A licensed owner shall undergo a complete investigation every



three (3) years to determine that the licensed owner remains in compliance with this article.

(c) Notwithstanding subsection (b), the commission may investigate a licensed owner at any time the commission determines it is necessary to ensure that the licensee remains in compliance with this article.

(d) The licensed owner shall bear the cost of an investigation or reinvestigation of the licensed owner and any investigation resulting from a potential transfer of ownership.

(e) The commission shall recoup all of the costs associated with investigating or reinvestigating a member of a historic preservation commission described in subsection (a) by imposing a special investigation fee upon the historic preservation commission's licensed operating agent.

SECTION 46. IC 4-33-6-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 19. (a) This section applies to:

- (1) a county contiguous to the Ohio River;
- ~~(2) a county contiguous to Patoka Lake; and~~
- ~~(3)~~ **(2)** a county contiguous to Lake Michigan that has a population of less than four hundred thousand (400,000).

(b) Notwithstanding any other provision of this article, the commission may not issue a license under this article to allow a riverboat to operate in the county unless the voters of the county have approved the conducting of gambling games on riverboats in the county.

(c) If the docking of a riverboat in the county is approved by an ordinance adopted under section 18 of this chapter, or if at least the number of the registered voters of the county required under IC 3-8-6-3 for a petition to place a candidate on the ballot sign a petition submitted to the circuit court clerk requesting that a local public question concerning riverboat gaming be placed on the ballot, the county election board shall place the following question on the ballot in the county during the next general election:

"Shall licenses be issued to permit riverboat gambling in ____ County?"

(d) A public question under this section shall be placed on the ballot in accordance with IC 3-10-9 and must be certified in accordance with IC 3-10-9-3.

(e) The clerk of the circuit court of a county holding an election under this chapter shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

(f) If a public question under this section is placed on the ballot in

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a county and the voters of the county do not vote in favor of permitting riverboat gambling under this article, a second public question under this section may not be held in that county for at least two (2) years. If the voters of the county vote to reject riverboat gambling a second time, a third or subsequent public question under this section may not be held in that county until the general election held during the tenth year following the year that the previous public question was placed on the ballot.

SECTION 47. IC 4-33-6-19.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 19.5. (a) This section applies to a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).**

(b) The commission may issue only one (1) license under this article to allow a riverboat to operate in the county within a historic preservation district established under IC 36-7-11.

(c) The commission may not issue a license under this article to allow a riverboat to operate in the county unless the voters of:

- (1) a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200) located in the county; and**
- (2) a town having a population of less than one thousand five hundred (1,500) located in the county;**

have approved gambling on riverboats in the county.

(d) If at least the number of registered voters of the town required under IC 3-8-6-3 for a petition to place a candidate on the ballot sign a petition submitted to the clerk of the circuit court requesting that a local public question concerning riverboat gambling be placed on the ballot, the county election board shall place the following question on the ballot in the town described in subsection (c) during the next primary or general election or a special election held under this section:

"Shall a license be issued to allow riverboat gambling in the town of _____?"

(e) A public question under this section shall be placed on the ballot in accordance with IC 3-10-9.

(f) If a public question is placed on the ballot under this section and the voters of the town do not vote in favor of allowing riverboat gambling under IC 4-33, another public question regarding riverboat gambling may not be held in the town for at least two (2) years.

(g) In a special election held under this section:



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(1) IC 3 applies, except as otherwise provided in this section; and

(2) at least as many precinct polling places as were used in the towns described in subsection (c) during the most recent municipal election must be used for the special election.

(h) The clerk of the circuit court of a county holding an election under this section shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

SECTION 48. IC 4-33-6-21 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 21. (a) As used in this section, "electronic gaming device" has the meaning set forth in 68 IAC 1-1-29.

(b) As used in this section, "live gaming device" has the meaning set forth in 68 IAC 1-1-59.

(c) Except as provided in subsection (d) and IC 4-33-9-17, a riverboat licensed under this article may not contain more than three thousand two hundred (3,200) electronic gaming devices.

(d) The maximum permissible number of electronic gaming devices imposed by subsection (c) does not apply to a riverboat that contains a number of electronic gaming devices that exceeds two thousand eight hundred eighty (2,880) on July 1, 2002. However, a riverboat described in this subsection may not add more than three hundred twenty (320) electronic gaming devices to the number of electronic gaming devices contained on the riverboat on July 1, 2002.

(e) This section does not limit the number of live gaming devices that a riverboat may contain.

SECTION 49. IC 4-33-6.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 6.5. Riverboat Operating Agent's License

Sec. 1. This chapter applies only to a riverboat operated under a license described in IC 4-33-6-1(a)(6).

Sec. 2. (a) A person applying for an operating agent's license under this chapter must pay a nonrefundable application fee to the commission. The commission shall determine the amount of the application fee.

(b) An applicant must submit the following on forms provided by the commission:

(1) If the applicant is an individual, two (2) sets of the individual's fingerprints.

(2) If the applicant is not an individual, two (2) sets of

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fingerprints for each officer and director of the applicant.

(c) The commission shall review the applications for a license under this chapter and shall inform each applicant of the commission's decision concerning the issuance of the license.

(d) The costs of investigating an applicant for a license under this chapter shall be paid from the application fee paid by the applicant.

(e) An applicant for a license under this chapter must pay all additional costs that are:

- (1) associated with the investigation of the applicant; and
- (2) greater than the amount of the application fee paid by the applicant.

Sec. 3. The commission may not issue an operating agent's license under this chapter to a person if:

- (1) the person has been convicted of a felony under Indiana law, the laws of any other state, or laws of the United States;
- (2) the person has knowingly or intentionally submitted an application for a license under this chapter that contains false information;
- (3) the person is a member of the commission;
- (4) the person is an officer, a director, or a managerial employee of a person described in subdivision (1) or (2);
- (5) the person employs an individual who:
 - (A) is described in subdivision (1), (2), or (3); and
 - (B) participates in the management or operation of gambling operations authorized under this article;
- (6) the person owns an ownership interest of more than the total amount of ownership interests permitted under IC 4-33-6-3.5; or
- (7) a license issued to the person:
 - (A) under this article; or
 - (B) to own or operate gambling facilities in another jurisdiction;
 has been revoked.

Sec. 4. In determining whether to grant an operating agent's license to an applicant, the commission shall consider the following:

- (1) The character, reputation, experience, and financial integrity of the following:
 - (A) The applicant.
 - (B) A person that:
 - (i) directly or indirectly controls the applicant; or



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(ii) is directly or indirectly controlled by the applicant or by a person that directly or indirectly controls the applicant.

(2) The facilities or proposed facilities for the conduct of riverboat gambling in a historic preservation district described in IC 4-33-1-1(3).

(3) The highest prospective total revenue to be collected by the state from the conduct of riverboat gambling.

(4) The good faith affirmative action plan of each applicant to recruit, train, and upgrade minorities in all employment classifications.

(5) The financial ability of the applicant to purchase and maintain adequate liability and casualty insurance.

(6) If the applicant has adequate capitalization to operate a riverboat for the duration of the license.

(7) The extent to which the applicant exceeds or meets other standards adopted by the commission.

Sec. 5. If the commission determines that a person is eligible under this chapter for an operating agent's license, the commission may issue an operating agent's license to the person if:

(1) the person pays an initial license fee of twenty-five thousand dollars (\$25,000); and

(2) the person posts a bond as required in section 6 of this chapter.

Sec. 6. (a) A licensed operating agent must post a bond with the commission at least sixty (60) days before the commencement of regular riverboat operations in the historic preservation district described in IC 4-33-1-1(3).

(b) The bond shall be furnished in:

(1) cash or negotiable securities;

(2) a surety bond:

(A) with a surety company approved by the commission; and

(B) guaranteed by a satisfactory guarantor; or

(3) an irrevocable letter of credit issued by a banking institution of Indiana acceptable to the commission.

(c) If a bond is furnished in cash or negotiable securities, the principal shall be placed without restriction at the disposal of the commission, but income inures to the benefit of the licensee.

(d) The bond:

(1) is subject to the approval of the commission; and

(2) must be payable to the commission as obligee for use in

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payment of the riverboat's financial obligations to the local community, the state, and other aggrieved parties, as determined by the rules of the commission.

(e) If after a hearing (after at least five (5) days written notice) the commission determines that the amount of a licensed operating agent's bond is insufficient, the operating agent shall, upon written demand of the commission, file a new bond.

(f) The commission may require a licensed operating agent to file a new bond with a satisfactory surety in the same form and amount if:

- (1) liability on the old bond is discharged or reduced by judgment rendered, payment made, or otherwise; or
- (2) in the opinion of the commission any surety on the old bond becomes unsatisfactory.

(g) If a new bond obtained under subsection (e) or (f) is unsatisfactory, the commission shall cancel the operating agent's license. If the new bond is satisfactorily furnished, the commission shall release in writing the surety on the old bond from any liability accruing after the effective date of the new bond.

(h) A bond is released on the condition that the licensed operating agent remains at the site of the riverboat operating within a historic preservation district:

- (1) for five (5) years; or
- (2) until the date the commission grants a license to another operating agent to operate from the site for which the bond was posted;

whichever occurs first.

(i) An operating agent who does not meet the requirements of subsection (h) forfeits a bond filed under this section. The proceeds of a bond that is in default under this subsection are paid to the commission for the benefit of the local unit from which the riverboat operated.

(j) The total liability of the surety on a bond is limited to the amount specified in the bond and the continuous nature of the bond may not be construed as allowing the liability of the surety under a bond to accumulate for each successive approval period during which the bond is in force.

(k) A bond filed under this section is released sixty (60) days after:

- (1) the time has run under subsection (h); and
- (2) a written request is submitted by the operating agent.

Sec. 7. (a) Unless the operating agent's license is terminated,

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expires, or is revoked, the operating agent's license may be renewed annually upon:

- (1) the payment of a five thousand dollar (\$5,000) annual renewal fee; and
- (2) a determination by the commission that the licensee satisfies the conditions of this article.

(b) An operating agent shall undergo a complete investigation every three (3) years to determine that the operating agent remains in compliance with this article.

(c) Notwithstanding subsection (b), the commission may investigate an operating agent at any time the commission determines it is necessary to ensure that the licensee remains in compliance with this article.

(d) The operating agent shall bear the cost of an investigation or reinvestigation of the operating agent.

Sec. 8. A license issued under this chapter permits the holder to operate a the riverboat on behalf of the licensed owner of the riverboat.

Sec. 9. An operating agent licensed under this chapter is charged with all the duties imposed upon a licensed owner under this article including the collection and remission of taxes under IC 4-33-12 and IC 4-33-13.

SECTION 50. IC 4-33-7.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 7.5. Pari-Mutuel Pull Tab Suppliers

Sec. 1. The commission may issue a supplier's license under this chapter to a person if:

- (1) the person has:
 - (A) applied for the supplier's license;
 - (B) paid a nonrefundable application fee set by the commission;
 - (C) paid a five thousand dollar (\$5,000) annual license fee; and
 - (D) submitted on forms provided by the commission:
 - (i) if the applicant is an individual, two (2) sets of the individual's fingerprints; and
 - (ii) if the applicant is not an individual, two (2) sets of fingerprints for each officer and director of the applicant; and
- (2) the commission has determined that the applicant is eligible for a supplier's license.

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Sec. 2. (a) A person holding a supplier's license may sell, lease, and contract to sell or lease pari-mutuel pull tab terminals and devices to a permit holder authorized to sell and redeem pari-mutuel pull tab tickets under IC 4-31-7.5.

(b) Pari-mutuel pull tab terminals and devices may not be distributed unless the terminals and devices conform to standards adopted by the commission.

Sec. 3. A person may not receive a supplier's license if:

- (1)** the person has been convicted of a felony under Indiana law, the laws of any other state, or laws of the United States;
- (2)** the person has knowingly or intentionally submitted an application for a license under this chapter that contains false information;
- (3)** the person is a member of the commission;
- (4)** the person is an officer, a director, or a managerial employee of a person described in subdivision (1) or (2);
- (5)** the person employs an individual who:
 - (A)** is described in subdivision (1), (2), or (3); and
 - (B)** participates in the management or operation of gambling operations authorized under this article;
- (6)** the person owns more than a ten percent (10%) ownership interest in any other person holding a permit issued under IC 4-31; or
- (7)** a license issued to the person:
 - (A)** under this article; or
 - (B)** to supply gaming supplies in another jurisdiction; has been revoked.

Sec. 4. A person may not furnish pari-mutuel pull tab terminals or devices to a permit holder unless the person possesses a supplier's license.

Sec. 5. (a) A supplier shall furnish to the commission a list of all pari-mutuel pull tab terminals and devices offered for sale or lease in connection with the sale of pari-mutuel pull tab tickets authorized under IC 4-31-7.5.

(b) A supplier shall keep books and records for the furnishing of pari-mutuel pull tab terminals and devices to permit holders separate from books and records of any other business operated by the supplier.

(c) A supplier shall file a quarterly return with the commission listing all sales and leases.

(d) A supplier shall permanently affix the supplier's name to all of the supplier's pari-mutuel pull tab terminals or devices provided

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to permit holders under this chapter.

Sec. 6. A supplier's pari-mutuel pull tab terminals or devices that are used by a person in an unauthorized gambling operation shall be forfeited to the state.

Sec. 7. Pari-mutuel pull tab terminals and devices that are provided by a supplier may be:

- (1) repaired on the premises of a racetrack or satellite facility; or
- (2) removed for repair from the premises of a permit holder to a facility owned the permit holder.

Sec. 8. (a) Unless a supplier's license is suspended, expires, or is revoked, the supplier's license may be renewed annually upon:

- (1) the payment of a five thousand dollar (\$5,000) annual renewal fee; and
- (2) a determination by the commission that the licensee is in compliance with this article.

(b) The holder of a supplier's license shall undergo a complete investigation every three (3) years to determine that the licensee is in compliance with this article.

(c) Notwithstanding subsection (b), the commission may investigate the holder of a supplier's license at any time the commission determines it is necessary to ensure that the licensee is in compliance with this article.

(d) The holder of a supplier's license shall bear the cost of an investigation or reinvestigation of the licensee and any investigation resulting from a potential transfer of ownership.

SECTION 51. IC 4-33-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) Except as provided in subsection (b), a riverboat ~~excursions~~ **cruise** may not exceed four (4) hours for a round trip.

(b) Subsection (a) does not apply to an extended cruise that is expressly approved by the commission.

SECTION 52. IC 4-33-9-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 14. (a) This section applies only to a riverboat that operates from a county that is contiguous to the Ohio River.

(b) A ~~gambling excursion~~ **cruise** is permitted only when the navigable waterway for which the riverboat is licensed is navigable, as determined by the commission in consultation with the United States Army Corps of Engineers.

SECTION 53. IC 4-33-9-17 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY

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1, 2002]: Sec. 17. (a) This section applies only to a riverboat located in a historic preservation district described in IC 4-33-1-1(3).

(b) As used in this section, "electronic gaming device" has the meaning set forth in 68 IAC 1-1-29.

(c) As used in this section, "live gaming device" has the meaning set forth in 68-IAC 1-1-59.

(d) The licensed owner of a riverboat described in subsection (a) may not install more than five hundred (500) electronic gaming devices on board the riverboat.

(e) This section does not limit the number of live gaming devices that the licensed owner may install on board a riverboat described in subsection (a).

SECTION 54. IC 4-33-10-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. An action to prosecute a crime occurring during a gambling ~~excursion on a riverboat~~ shall be tried in the county of the dock where the riverboat is ~~based~~ located.

SECTION 55. IC 4-33-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) This section does not apply to a licensed owner that conducts gambling games on a permanently moored vessel.

(b) A tax is imposed on admissions to ~~gambling excursions a riverboat~~ authorized under this article at a rate of either:

(1) ~~three four~~ dollars (~~\$3~~) (\$4) for each ~~person~~ admitted to the ~~gambling excursion~~; patron who is on board at the time a passenger count is recorded as provided in section 1.5 of this chapter; or

(2) seven dollars (\$7) per day for each patron who boards the riverboat during a particular day.

(c) The licensed owner shall elect the rate and method that the licensed owner wishes to use to collect the admissions tax imposed under this section. The licensed owner shall notify the department of the licensed owner's election.

(d) If the licensed owner elects to use the rate and method set forth in subsection (b)(2), the admissions tax shall be imposed only one (1) time per day per patron.

(e) This admission tax is imposed upon the licensed owner conducting the gambling ~~excursion~~ operation.

SECTION 56. IC 4-33-12-1.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1.3. (a) This section applies only to a licensed owner that conducts gambling games on a

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permanently moored vessel.

(b) A tax is imposed on admissions to a riverboat authorized under this article at a rate of either:

- (1) five dollars (\$5) for each patron who is on board at the time a passenger count is recorded as provided in section 1.5 of this chapter; or
- (2) eight dollars (\$8) per day for each patron who boards the riverboat during a particular day.

(c) The licensed owner shall elect the rate and method that the licensed owner wishes to use to collect the admissions tax imposed under this section. The licensed owner shall notify the department of the licensed owner's election.

(d) If the licensed owner elects to use the rate and method set forth in subsection (b)(2), the admissions tax shall be imposed only one (1) time per day per patron.

(e) This admission tax is imposed upon the licensed owner conducting the gambling operation.

SECTION 57. IC 4-33-12-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1.5. (a) This section applies only to a licensed owner that elects to collect the admissions tax under section 1(b)(1) or 1.3(b)(1) of this chapter.

(b) Passenger counts must be recorded one (1) hour after the start of each reporting period and once every two (2) hours thereafter under procedures approved by the commission.

(c) If the riverboat's schedule as approved by the commission does not provide for the riverboat to be open to the public at the start of the reporting period, passenger counts must be recorded one (1) hour after the riverboat begins admitting patrons during a reporting period and once every two (2) hours thereafter under procedures approved by the commission.

SECTION 58. IC 4-33-12-6, AS AMENDED BY P.L.215-2001, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) The department shall place in the state general fund the tax revenue collected under this chapter.

(b) Except as provided by subsection (c) and IC 6-3.1-20-7, the treasurer of state shall quarterly pay the following amounts:

- (1) **Except as provided in subsection (i)**, one dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to:

(A) the city in which the riverboat is docked, if the city:

- (i) is described in IC 4-33-6-1(a)(1) through

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IC 4-33-6-1(a)(4) or in IC 4-33-6-1(b); or

(ii) is contiguous to the Ohio River and is the largest city in the county; and

(B) the county in which the riverboat is docked, if the riverboat is not docked in a city described in clause (A).

(2) **Except as provided in subsection (i)**, one dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the county in which the riverboat is docked. In the case of a county described in subdivision (1)(B), this one dollar (\$1) is in addition to the one dollar (\$1) received under subdivision (1)(B).

(3) **Except as provided in subsection (i)**, ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during a quarter shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(5) Ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) Sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

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(7) The remainder of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to county treasurer of each county described in subsection (j) according to the ratio the population of each county bears to the total population of the counties that do not have a riverboat licensed under this article.

(c) With respect to tax revenue collected from a riverboat that operates on Patoka Lake, in a historic preservation district described in IC 4-33-1-1(3), the treasurer of state shall quarterly pay the following amounts:

(1) The counties ~~described in IC 4-33-1-1(3)~~ **that are contiguous to Patoka Lake** shall receive one dollar ~~(\$1)~~ **and twenty cents (\$1.20)** of the admissions tax collected for each person embarking on the riverboat during the quarter. This amount shall be divided equally among the counties ~~described in IC 4-33-1-1(3)~~ **that are contiguous to Patoka Lake.**

(2) The ~~Patoka Lake development account established under IC 4-33-1-5~~ **historic preservation district described in IC 4-33-1-1(3)** shall receive one dollar ~~(\$1)~~ **forty cents (\$0.40)** of the admissions tax collected for each person embarking on the riverboat during the quarter.

(3) The ~~resource conservation and development program that:~~

~~(A) is established under 16 U.S.C. 3451 et seq.; and~~

~~(B) serves the Patoka Lake area;~~

town described in IC 4-33-1-1(3)(C)(i) shall receive forty cents (\$0.40) of the admissions tax collected for each person embarking on the riverboat during the quarter.

(4) The town described in IC 4-33-1-1(3)(C)(ii) shall receive forty cents (\$0.40) of the admissions tax collected for each person embarking on the riverboat during the quarter.

(5) The state general fund tourism commission of the town described in IC 4-33-1-1(3)(C)(i) shall receive fifty cents (\$0.50) twenty-five cents (\$0.25) of the admissions tax collected for each person embarking on the riverboat during the quarter.

(6) The tourism commission of the town described in IC 4-33-1-1(3)(C)(ii) shall receive twenty-five cents (\$0.25) of the admissions tax collected for each person embarking on the riverboat during the quarter.

~~(5)~~ **(7) The division of mental health and addiction shall receive ten cents (\$0.10) of the admissions tax collected for each person embarking on the riverboat during the quarter. The division shall**

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allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(d) Money paid to a unit of local government under subsection (b)(1) through (b)(2) or subsection (c)(1), **(c)(3), or (c)(4):**

(1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9, or both;

(2) may not be used to reduce the unit's maximum levy under IC 6-1.1-18.5, but may be used at the discretion of the unit to reduce the property tax levy of the unit for a particular year;

(3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and

(4) is considered miscellaneous revenue.

(e) Money paid by the treasurer of state under subsection (b)(3) shall be:

(1) deposited in:

(A) the county convention and visitor promotion fund; or

(B) the county's general fund if the county does not have a convention and visitor promotion fund; and

(2) used only for the tourism promotion, advertising, and economic development activities of the county and community.

(f) Money received by the division of mental health and addiction under subsections (b)(5) and ~~(c)(5)~~: **(c)(7):**

(1) is annually appropriated to the division of mental health and addiction;

(2) shall be distributed to the division of mental health and addiction at times during each state fiscal year determined by the budget agency; and

(3) shall be used by the division of mental health and addiction for programs and facilities for the prevention and treatment of addictions to drugs, alcohol, and compulsive gambling, including the creation and maintenance of a toll free telephone line to provide the public with information about these addictions. The division shall allocate at least twenty-five percent (25%) of the money received to the prevention and treatment of compulsive gambling.

(g) Money paid by the treasurer of state under subsection (c)(5) and (c)(6) must be used only for the tourism promotion, advertising, and economic development activities of the respective towns.



(h) The treasurer of state shall determine the total amount of money paid by the treasurer of state under subsection (b)(1), (b)(2), and (b)(3) during the state fiscal year 2001. The amount determined under this subsection is the base year revenue for each city, county, and county convention and visitors bureau or promotion fund receiving money under subsection (b)(1), (b)(2), and (b)(3). The treasurer of state shall certify the base year revenue determined under this subsection to each city, county, and county convention and visitors bureau or promotion fund receiving money under subsection (b)(1), (b)(2), and (b)(3).

(i) For state fiscal years beginning after June 30, 2001, the treasurer of state shall notify the city, county, and county convention and visitors bureau or promotion fund receiving money under subsection (b)(1), (b)(2) on the date that the entity's distributions under subsection (b) equal the entity's base year revenue. An entity may not receive a distribution under subsection (b) after the date of the notification required by this subsection.

(j) After the date of the notification required by subsection (g), the treasurer of state shall pay the remainder of riverboat admissions taxes described in subsection (b)(1), (b)(2), or (b)(3) for a particular entity to the county treasurer of each county that does not have a riverboat licensed under this article. The treasurer of state shall make the payments to each county described in this subsection according to the ratio the population of each county bears to the total population of the counties that do not have a riverboat licensed under this article.

SECTION 59. IC 4-33-13-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) A tax is imposed on the adjusted gross receipts received from gambling games authorized under this article at the rate of ~~twenty percent (20%)~~ of the amount of the adjusted gross receipts set forth in the following table:

Adjusted Gross Receipts Reported during the Year	Tax Rate
Less than \$100,000,000	20%
At least \$100,000,000 but less than \$150,000,000	22.5%
At least \$150,000,000 but less than \$250,000,000	25%
At least \$250,000,000 but less than \$350,000,000	30%
At least \$350,000,000	35%

(b) The licensed owner shall remit the tax imposed by this chapter



to the department before the close of the business day following the day the wagers are made.

(c) The department may require payment under this section to be made by electronic funds transfer (as defined in IC 4-8.1-2-7(e)).

(d) If the department requires taxes to be remitted under this chapter through electronic funds transfer, the department may allow the licensed owner to file a monthly report to reconcile the amounts remitted to the department.

(e) The department may allow taxes remitted under this section to be reported on the same form used for taxes paid under IC 4-33-12.

SECTION 60. IC 4-33-13-5, AS AMENDED BY P.L.273-1999, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. **(a) This subsection does not apply to a riverboat located in a historic preservation district described in IC 4-33-1-1(3) or a riverboat located in a county described in IC 4-33-1-1(1).** After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

(1) Twenty-five percent (25%) of the tax revenue remitted by each licensed owner shall be paid:

(A) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a city described in IC 4-33-12-6(b)(1)(A);

(B) in equal shares to the counties described in IC 4-33-1-1(3), in the case of a riverboat whose home dock is on Patoka Lake; or

(C) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A) or a county described in clause (B); and

(2) Seventy-five percent (75%) of the tax revenue remitted by each licensed owner shall be paid to the build Indiana fund lottery and gaming surplus account.

(b) This subsection applies only to a riverboat located in a historic preservation district described in IC 4-33-1-1(3). After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

(1) Fifty percent (50%) of the tax revenue remitted by the licensed owner shall be paid to the build Indiana fund lottery and gaming surplus account.

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(2) Twenty-five percent (25%) of the tax revenue remitted by the licensed owner shall be paid to the historic preservation district described in IC 4-33-1-1(3).

(3) Six percent (6%) of the tax revenue remitted by the licensed owner shall be paid to the county in which the historic preservation district described in IC 4-33-1-1(3) is located.

(4) Six percent (6%) of the tax revenue remitted by the licensed owner shall be paid to the town described in IC 4-33-1-1(3)(C)(i).

(5) Six percent (6%) of the tax revenue remitted by the licensed owner shall be paid to the town described in IC 4-33-1-1(3)(C)(ii).

(6) Three percent (3%) of the tax revenue remitted by the licensed owner shall be paid to the county described in subdivision (3) to be used to make grants to other governmental agencies.

(7) Two percent (2%) of the tax revenue remitted by the licensed owner shall be paid to the tourism commission of the town described in IC 4-33-1-1(3)(C)(i).

(8) Two percent (2%) of the tax revenue remitted by the licensed owner shall be paid to the tourism commission of the town described in IC 4-33-1-1(3)(C)(ii).

(c) This subsection applies only to a riverboat located in a county described in IC 4-33-1-1(1). After funds are appropriated under section 4 of this chapter, the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

(1) The first seven million dollars (\$7,000,000) of tax revenue collected each year shall be deposited in the shoreline environmental trust fund established under IC 36-7-13.5-19.

(2) After the deposits required under subdivision (1) are made, the remaining tax revenues shall be distributed as follows:

(A) Twenty-five percent (25%) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected.

(B) Seventy-five percent (75%) to the build Indiana fund lottery and gaming surplus account.

SECTION 61. IC 4-33-13-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) Money paid to a unit of local government under this chapter:



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(1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9, or both;

(2) may not be used to reduce the unit's maximum or actual levy under IC 6-1.1-18.5; and

(3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4.

(b) This chapter does not prohibit the city or county designated as the home dock of the riverboat from entering into agreements with other units of local government in Indiana or in other states to share the city's or county's part of the tax revenue received under this chapter.

(c) Money paid by the treasurer of state under section 5(b)(7) and 5(b)(8) of this chapter must be used only for the tourism promotion, advertising, and economic development activities of the respective towns.

SECTION 62. IC 4-33-16 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 16. Gambling Operations in a Historic Preservation District

Sec. 1. This chapter applies only to a historic preservation district described in IC 4-33-1-1(3) and established under IC 36-7-11-4.5.

Sec. 2. As used in this chapter, "district" refers to the historic preservation district established under IC 36-7-11-4.5.

Sec. 3. As used in this chapter, "historic preservation commission" refers to the historic preservation commission established under IC 36-7-11-4.5.

Sec. 4. As used in this chapter, "operating expenses" means the following:

(1) Money spent by the historic preservation commission in the exercise of the historic preservation commission's powers under this article, IC 36-7-11-23, and IC 36-7-11-24 as limited by section 5 of this chapter.

(2) Management fees paid to the riverboat's licensed operating agent.

Sec. 5. A riverboat authorized under this article for a historic preservation district described in IC 4-33-1-1(3) must be located on real property owned by the district that is located between the two (2) historic resort hotels.

Sec. 6. The commission shall grant an owner's license to the

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historic preservation commission upon the fulfillment of the following requirements:

- (1) Riverboat gaming is approved in a public question.
- (2) The commission completes the investigations required under IC 4-33-6.

Sec. 7. The historic preservation commission shall contract with another person to operate a riverboat located in the district. The person must be a licensed operating agent under IC 4-33-6.5.

Sec. 8. The net income derived from the riverboat after the payment of all operating expenses shall be deposited in the French Lick and West Baden community trust fund established under IC 36-7-11.4.

Sec. 9. After deducting any tax revenue received under IC 4-33-12 and IC 4-33-13 that:

- (1) is expended by the historic preservation commission to carry out the historic preservation commission's duties and powers under this article, IC 36-7-11-3, and IC 36-7-11-24; or
- (2) is pledged to bonds, leases, or other obligations under IC 5-1-14-4;

the historic preservation commission shall deposit the remaining tax revenue in the French Lick and West Baden community trust fund established under IC 36-7-11.4.

SECTION 63. IC 4-33-17 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 17. Riverboat Safety Standards

Sec. 1. A riverboat licensed under this article that:

- (1) is a permanently moored vessel; and
- (2) is not under the jurisdiction of the United States Coast Guard;

must comply with the safety requirements adopted by the commission. The commission shall consult with all applicable state and federal agencies to ensure compliance with standards for safety, design, construction, inspection, survey, and the moorings of a continuously moored vessel.

Sec. 2. The commission may adopt additional safety requirements to promote the safety of persons entering a riverboat.

Sec. 3. A licensee may not conduct gaming at a riverboat until all applicable standards have been met and the commission approves gaming on the riverboat.

Sec. 4. (a) A riverboat must undergo an inspection annually to determine the riverboat's continuing compliance with the safety

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requirements adopted by the commission.

(b) A riverboat must:

- (1) have approved before licensure and annually thereafter a plan for firefighting and for the protection and evacuation of personnel; and
- (2) have a staff sufficiently trained as required to execute the plan.

SECTION 64. IC 6-8.1-1-1, AS AMENDED BY P.L.151-2001, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. "Listed taxes" or "taxes" includes only **the pari-mutuel pull tab taxes (IC 4-31-7.5-11 and IC 4-31-7.5-13)**; the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the riverboat admissions tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13); the gross income tax (IC 6-2.1); the state gross retail and use taxes (IC 6-2.5); the adjusted gross income tax (IC 6-3); the supplemental net income tax (IC 6-3-8); the county adjusted gross income tax (IC 6-3.5-1.1); the county option income tax (IC 6-3.5-6); the county economic development income tax (IC 6-3.5-7); the municipal option income tax (IC 6-3.5-8); the auto rental excise tax (IC 6-6-9); the bank tax (IC 6-5-10); the savings and loan association tax (IC 6-5-11); the production credit association tax (IC 6-5-12); the financial institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); the alternative fuel permit fee (IC 6-6-2.1); the special fuel tax (IC 6-6-2.5); the motor carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a reciprocal agreement under IC 6-8.1-3; the motor vehicle excise tax (IC 6-6-5); the commercial vehicle excise tax (IC 6-6-5.5); the hazardous waste disposal tax (IC 6-6-6.6); the cigarette tax (IC 6-7-1); the beer excise tax (IC 7.1-4-2); the liquor excise tax (IC 7.1-4-3); the wine excise tax (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5); the malt excise tax (IC 7.1-4-5); the petroleum severance tax (IC 6-8-1); the various innkeeper's taxes (IC 6-9); the various county food and beverage taxes (IC 6-9); the county admissions tax (IC 6-9-13 and IC 6-9-28); the oil inspection fee (IC 16-44-2); the emergency and hazardous chemical inventory form fee (IC 6-6-10); the penalties assessed for oversize vehicles (IC 9-20-3 and IC 9-30); the fees and penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-30); the underground storage tank fee (IC 13-23); the solid waste management fee (IC 13-20-22); and any other tax or fee that the department is required to collect or administer.

SECTION 65. IC 35-45-5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. This chapter does not apply to the publication or broadcast of an advertisement, a list of

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prizes, or other information concerning:

- (1) pari-mutuel wagering on horse races or a lottery authorized by the law of any state; ~~or~~
- (2) a game of chance operated in accordance with IC 4-32; **or**
- (3) a pari-mutuel pull tab game operated in accordance with IC 4-31-7.5.**

SECTION 66. IC 35-45-5-11 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 11. This chapter does not apply to the sale of pari-mutuel pull tab tickets authorized by IC 4-31-7.5.**

SECTION 67. IC 36-7-11-4.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4.3. (a) An ordinance that establishes a historic preservation commission under section 4 **or 4.5** of this chapter may authorize the staff of the commission, on behalf of the commission, to grant or deny an application for a certificate of appropriateness.

(b) An ordinance adopted under this section must specify the types of applications that the staff of the commission is authorized to grant or deny. The staff may not be authorized to grant or deny an application for a certificate of appropriateness for the following:

- (1) The demolition of a building.
- (2) The moving of a building.
- (3) The construction of an addition to a building.
- (4) The construction of a new building.

SECTION 68. IC 36-7-11-4.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 4.5. (a) This section applies to the following towns located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000):**

- (1) A town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200).**
- (2) A town having a population of less than one thousand five hundred (1,500).**

(b) The towns described in subsection (a) may enter an interlocal agreement under IC 36-1-7 to establish a joint historic preservation district under this chapter. An ordinance entering the interlocal agreement must provide for the following membership of the joint historic preservation district:

- (1) A member of the town council of a town described in subsection (a)(1).**



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(2) A member of the town council of a town described in subsection (a)(2).

(3) The owner of a historic resort hotel located in a town described in subsection (a)(1) or the owner's designee.

(4) The owner of a historic resort hotel located in a town described in subsection (a)(2) or the owner's designee.

(5) An individual appointed by the Historic Landmarks Foundation of Indiana.

(6) A resident of a town described in subsection (a)(1).

(7) A resident of a town described in subsection (a)(2).

(c) A member of the commission described in subsection (b)(1) or (b)(2) shall serve for the duration of the member's term of office on the town council. The members described in subsection (b)(5) through (b)(7) shall each serve for a term of three (3) years. However, the terms of the original voting members may be for one (1) year, two (2) years, or three (3) years in order for the terms to be staggered, as provided by the ordinance. A vacancy shall be filled for the duration of the term.

(d) The ordinance may provide qualifications for members of the commission described in subsection (b)(6) and (b)(7). However, members must be residents of the unit who are interested in the preservation and development of historic areas. The members of the commission should include professionals in the disciplines of architectural history, planning, and other disciplines related to historic preservation, to the extent that those professionals are available in the community. The ordinance may also provide for the appointment of advisory members that the legislative body considers appropriate.

(e) Each member of the commission must, before beginning the discharge of the duties of the member's office, do the following:

(1) Take an oath that the member will faithfully execute the duties of the member's office according to Indiana law and rules adopted under Indiana law.

(2) Provide a bond to the state that:

(A) is approved by the Indiana gaming commission;

(B) is for twenty-five thousand dollars (\$25,000); and

(C) is, after being executed and approved, recorded in the office of the secretary of state.

(f) The ordinance may:

(1) designate an officer or employee of a town described in subsection (a) to act as administrator;

(2) permit the commission to appoint an administrator who



shall serve without compensation except reasonable expenses incurred in the performance of the administrator's duties; or (3) provide that the commission act without the services of an administrator.

(g) Members of the commission shall serve without compensation except for reasonable expenses incurred in the performance of their duties.

(h) The commission shall elect from its membership a chairperson and vice chairperson, who shall serve for one (1) year and may be reelected.

(i) The commission shall adopt rules consistent with this chapter for the transaction of its business. The rules must include the time and place of regular meetings and a procedure for the calling of special meetings. All meetings of the commission must be open to the public, and a public record of the commission's resolutions, proceedings, and actions must be kept. If the commission has an administrator, the administrator shall act as the commission's secretary. If the commission does not have an administrator, the commission shall elect a secretary from its membership.

(j) The commission shall hold regular meetings, at least monthly, except when it has no business pending.

(k) A decision of the commission is subject to judicial review under IC 4-21.5-5 as if it were a decision of a state agency.

(l) Money acquired by the historic preservation commission:

- (1) is subject to the laws concerning the deposit and safekeeping of public money; and
- (2) must be deposited under the advisory supervision of the state board of finance in the same way and manner, at the same rate of interest, and under the same restrictions as other state money.

(m) The money of the historic preservation commission and the accounts of each officer, employee, or other person entrusted by law with the raising, disposition, or expenditure of the money or part of the money are subject to the following:

- (1) Examination by the state board of accounts.
- (2) The same penalties and the same provision for publicity that are provided by law for state money and state officers.

SECTION 69. IC 36-7-11-4.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4.6. An ordinance that establishes a historic preservation commission under section 4 or 4.5 of this chapter may:

- (1) authorize the commission to:



- (A) acquire by purchase, gift, grant, bequest, devise, or lease any real or personal property, including easements, that is appropriate for carrying out the purposes of the commission;
- (B) hold title to real and personal property; and
- (C) sell, lease, rent, or otherwise dispose of real and personal property at a public or private sale on the terms and conditions that the commission considers best; and

- (2) establish procedures that the commission must follow in acquiring and disposing of property.

SECTION 70. IC 36-7-11-23 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 23. (a) This section applies to a historic preservation commission established under section 4.5 of this chapter.**

(b) In addition to the commission's other duties set forth in this chapter, the commission shall do the following:

- (1) Designate a fiscal agent who must be the fiscal officer of one (1) of the towns described in section 4.5(a) of this chapter.
- (2) Employ professional staff to assist the commission in carrying out its duties under this section.
- (3) Engage consultants, attorneys, accountants, and other professionals necessary to carry out the commission's duties under this section.
- (4) Own the riverboat license described in IC 4-33-6-1(a)(6).
- (5) Develop requests for proposals for persons interested in operating and managing the riverboat authorized under IC 4-33 on behalf of the commission as the riverboat's licensed operating agent.
- (6) Recommend a person to the Indiana gaming commission that the historic preservation commission believes will:
 - (A) promote the most economic development in the area surrounding the historic preservation district;
 - (B) best meet the criteria set forth in IC 4-33-6-4; and
 - (C) best serve the interests of the citizens of Indiana.

However, the gaming commission is not bound by the recommendation of the historic preservation commission.

SECTION 71. IC 36-7-11-24 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 24. (a) This section applies to a historic preservation commission established under section 4.5 of this chapter.**

(b) In addition to the commission's other powers set forth in this

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chapter, the commission may do the following:

(1) Enter contracts to carry out the commission's duties under section 23 of this chapter, including contracts for the construction, maintenance, operation, and management of a riverboat to be operated in the historic preservation district under IC 4-33.

(2) Provide recommendations to the Indiana gaming commission concerning the operation and management of a riverboat to be operated in the historic preservation district under IC 4-33.

(c) This section may not be construed to limit the powers of the Indiana gaming commission with respect to the administration and regulation of riverboat gaming under IC 4-33.

SECTION 72. IC 36-7-11.4 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 11.4. French Lick and West Baden Community Trust Fund

Sec. 1. This section applies to a historic preservation district established under IC 36-7-11-4.5.

Sec. 2. As used in this chapter, "fund" refers to the French Lick and West Baden community trust fund established by section 4 of this chapter.

Sec. 3. As used in this chapter, "historic preservation commission" refers to the historic preservation commission established under IC 36-7-11-4.5.

Sec. 4. (a) The French Lick and West Baden community trust fund is established.

(b) The fund consists of the following:

- (1) Money disbursed from the historic preservation commission.
- (2) Donations.
- (3) Interest and dividends on assets of the fund.
- (4) Money transferred to the fund from other funds.
- (5) Money from any other source.

Sec. 5. (a) The historic preservation commission shall manage and develop the fund and the assets of the fund.

(b) The historic preservation commission shall do the following:

- (1) Establish a policy for the investment of the fund's assets.
- (2) Perform other tasks consistent with prudent management and development of the fund.

Sec. 6. (a) Subject to the investment policy of the board, the

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fiscal agent appointed by the historic preservation commission shall administer the fund and invest the money in the fund.

(b) The expenses of administering the fund and implementing this chapter shall be paid from the fund.

(c) Money in the fund that is not currently needed to meet the obligations of the fund may be invested in the same manner as other public funds are invested. Interest that accrues from these investments shall be deposited in the fund.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

Sec. 7. (a) The historic preservation commission has the sole authority to allocate money from the fund for the following purposes:

- (1) The preservation, restoration, maintenance, operation, and development of the French Lick historic resort hotel.
- (2) The preservation, restoration, maintenance, operation, and development of the West Baden historic resort hotel.
- (3) Infrastructure projects and other improvements in the surrounding community.

(b) Money allocated under subsection (a)(1) and (a)(2) must be divided equally between the two (2) historic resort hotels.

Sec. 8. The historic preservation commission shall prepare an annual report concerning the fund and submit the report to the legislative council before October 1 of each year. The report is a public record.

SECTION 73. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2002]: IC 4-33-2-8; IC 4-33-4-19; IC 4-33-9-2; IC 4-33-12-2; IC 4-33-15.

SECTION 74. [EFFECTIVE JULY 1, 2002] (a) The Indiana gaming commission shall adopt the emergency rules required under IC 4-31-7.5-15, as added by this act, before September 1, 2002.

(b) This SECTION expires December 31, 2002.

SECTION 75. [EFFECTIVE UPON PASSAGE] (a) This SECTION applies to a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(b) The Indiana gaming commission may not issue a license under this article to allow a riverboat to operate in the county unless the voters of:

- (1) a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred



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(2,200) located in the county; and
 (2) a town having a population of less than one thousand five hundred (1,500) located in the county;
 have approved gambling on a riverboat in the county.

(c) Notwithstanding IC 4-33-6-19.5, as added by this act, the county election board shall place the following question on the ballot in the towns described in subsection (b) during the primary election held on May 7, 2002:

"Shall a license be issued to allow riverboat gambling in the town of _____?"

(d) Notwithstanding IC 4-33-6-19.5, as added by this act, the registered voters of the towns described in subsection (b) are not required to petition the clerk of the circuit court to place the public question described in subsection (c) on the ballot.

(e) A public question under this SECTION shall be placed on the ballot in accordance with IC 3-10-9.

(f) If a public question is placed on the ballot under this SECTION and the voters of the town do not vote in favor of allowing riverboat gambling under IC 4-33, another public question regarding riverboat gambling may not be held in the town for at least two (2) years.

(g) The clerk of the circuit court of a county holding an election under this SECTION shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

(h) This SECTION expires July 2, 2002.

SECTION 76. [EFFECTIVE JULY 1, 2002] (a) IC 4-33-12-1 and IC 4-33-12-6, both as amended by this act, apply to admissions taxes collected after June 30, 2002.

(b) IC 4-33-12-1.3, as added by this act, applies to admissions taxes collected after June 30, 2002.

(c) IC 4-33-13-1 and IC 4-33-13-5, both as amended by this act, apply to adjusted gross receipts reported after June 30, 2002."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 333 as reprinted January 29, 2002 and as amended by the Committee Report of the House Committee on Public Policy, Ethics, and Veterans Affairs adopted on February 19, 2002.)

BAUER, Chair

Committee Vote: yeas 14, nays 12.

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HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 333 be amended to read as follows:

Page 12, line 3, after "admitted" insert "**to the**".

Page 41, between lines 27 and 28, begin a new line block indented and insert:

"(8) The remainder of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to county treasurer of each county described in subsection (j) according to the ratio the population of each county bears to the total population of the counties that do not have a riverboat licensed under this article."

Page 44, line 6, after "IC 4-33-12-6(b)(1)(A);" insert "**or**".

Page 44, strike lines 7 through 9.

Page 44, line 10, strike "(C)" and insert "**(B)**".

Page 53, line 42, after "other" insert "**related**".

Page 55, after line 14, begin a new paragraph and insert:

"SECTION 77. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

(Reference is to ESB 333 as printed February 22, 2002.)

LYTLE

 HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 333 be amended to read as follows:

Page 27, line 33, delete "and".

Page 27, line 38, after "riverboat" delete "." and insert "**; and**".

Page 27, between lines 38 and 39, begin a new line block indented and insert:

"(4) conduct gambling games authorized under this article on a permanently moored vessel located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000) at the discretion of the commission."

(Reference is to ESB 333 as printed February 22, 2002.)

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HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 333 be amended to read as follows:

Page 45, between lines 40 and 41, begin a new paragraph and insert:

"SECTION 62. IC 4-33-14-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. If the commission determines that the provisions of this chapter relating to expenditures and assignments to minority and women's business enterprises have not been met by a licensee, the commission may suspend, limit, or revoke the owner's license ~~or fine~~ or impose **a civil penalty or** appropriate conditions on the licensee to ensure that the goals for expenditures and assignments to minority and women's business enterprises are met. However, if a determination is made that a person holding an owner's license has failed to demonstrate compliance with this chapter, the person has ninety (90) days from the date of the determination of noncompliance to comply.

SECTION 63. IC 4-33-14-11 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 11. The commission shall deposit civil penalties imposed under section 6 of this chapter in the minority and women business participation fund established by section 12 of this chapter.**

SECTION 64. IC 4-33-14-12 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 12. (a) The minority and women business participation fund is established to assist minority and women business enterprises. The fund shall be administered by the commission. The fund consists of civil penalties imposed by the commission under section 6 of this chapter.**

(b) The expenses of administering the fund shall be paid from money in the fund.

(c) The treasurer of state shall invest money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund."

Renumber all SECTIONS consecutively.

(Reference is to ESB 333 as printed February 22, 2002.)

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HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 333 be amended to read as follows:

Page 30, line 39, delete "and IC 4-33-9-17".

Page 37, delete lines 23 through 36.

Page 53, line 42, after "other" insert "**related**".

Renumber all SECTIONS consecutively.

(Reference is to ESB 333 as printed February 22, 2002.)

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HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 333 be amended to read as follows:

Page 37, between lines 22 and 23, begin a new paragraph and insert:

"SECTION 53. IC 4-33-9-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15. (a) All tokens, chips, or electronic cards that are used to make wagers must be purchased from the owner of the riverboat:

(1) while on board the riverboat; or

(2) at an on-shore facility that:

(A) has been approved by the commission; and

(B) is located where the riverboat docks.

(b) The tokens, chips, or electronic cards may be purchased by means of an agreement under which the owner extends credit to the patron.

(c) A licensed owner may not seek treble damages in an action to collect a gambling debt incurred under this section."

Page 37, between lines 36 and 37, begin a new paragraph and insert:

"SECTION 55. IC 4-33-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. **(a)** A person who knowingly or intentionally:

(1) makes a false statement on an application submitted under this article;

(2) operates a ~~gambling excursion~~ **riverboat** in which wagering is conducted or is to be conducted in a manner other than the manner required under this article;

(3) permits a person less than twenty-one (21) years of age to make a wager;

ES 333—LS 7107/DI 92+



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(4) wagers or accepts a wager at a location other than a riverboat;
or

(5) makes a false statement on an application submitted to the commission under this article; or

(6) aids, induces, or causes a person less than twenty-one (21) years of age who is not an employee of the riverboat gambling operation to enter or attempt to enter a riverboat;

commits a Class A misdemeanor.

(b) A person who:

(1) is not an employee of the riverboat operation;

(2) is less than twenty-one (21) years of age; and

(3) knowingly or intentionally enters or attempts to enter a riverboat;

commits a Class A misdemeanor."

Page 47, between lines 31 and 32, begin a new paragraph and insert:
"SECTION 67. IC 5-14-3-4, AS AMENDED BY P.L.201-2001, SECTION 1, AND AS AMENDED BY P.L.271-2001, SECTION 1, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. (a) The following public records are excepted from section 3 of this chapter and may not be disclosed by a public agency, unless access to the records is specifically required by a state or federal statute or is ordered by a court under the rules of discovery:

(1) Those declared confidential by state statute.

(2) Those declared confidential by rule adopted by a public agency under specific authority to classify public records as confidential granted to the public agency by statute.

(3) Those required to be kept confidential by federal law.

(4) Records containing trade secrets.

(5) Confidential financial information obtained, upon request, from a person. However, this does not include information that is filed with or received by a public agency pursuant to state statute.

(6) Information concerning research, including actual research documents, conducted under the auspices of an institution of higher education, including information:

(A) concerning any negotiations made with respect to the research; and

(B) received from another party involved in the research.

(7) Grade transcripts and license examination scores obtained as part of a licensure process.

(8) Those declared confidential by or under rules adopted by the supreme court of Indiana.



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(9) Patient medical records and charts created by a provider, unless the patient gives written consent under IC 16-39.

(10) Application information declared confidential by the twenty-first century research and technology fund board under IC 4-4-5.1.

(11) *The following personal information concerning a customer of a municipally owned utility (as defined in IC 8-1-2-1):*

(A) Telephone number.

(B) Social Security number.

(C) Address.

~~(H)~~ (12) *A photograph, a video recording, or an audio recording of an autopsy, except as provided in IC 36-2-14-10.*

(13) Information submitted to the Indiana gaming commission under IC 4-33-8-5.

(b) Except as otherwise provided by subsection (a), the following public records shall be excepted from section 3 of this chapter at the discretion of a public agency:

(1) Investigatory records of law enforcement agencies. However, certain law enforcement records must be made available for inspection and copying as provided in section 5 of this chapter.

(2) The work product of an attorney representing, pursuant to state employment or an appointment by a public agency:

(A) a public agency;

(B) the state; or

(C) an individual.

(3) Test questions, scoring keys, and other examination data used in administering a licensing examination, examination for employment, or academic examination before the examination is given or if it is to be given again.

(4) Scores of tests if the person is identified by name and has not consented to the release of his scores.

(5) The following:

(A) Records relating to negotiations between the department of commerce, the Indiana development finance authority, the film commission, the Indiana business modernization and technology corporation, or economic development commissions with industrial, research, or commercial prospects, if the records are created while negotiations are in progress.

(B) Notwithstanding clause (A), the terms of the final offer of public financial resources communicated by the department of commerce, the Indiana development finance authority, the film

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commission, the Indiana business modernization and technology corporation, or economic development commissions to an industrial, a research, or a commercial prospect shall be available for inspection and copying under section 3 of this chapter after negotiations with that prospect have terminated.

(C) When disclosing a final offer under clause (B), the department of commerce shall certify that the information being disclosed accurately and completely represents the terms of the final offer.

(6) Records that are intra-agency or interagency advisory or deliberative material, including material developed by a private contractor under a contract with a public agency, that are expressions of opinion or are of a speculative nature, and that are communicated for the purpose of decision making.

(7) Diaries, journals, or other personal notes serving as the functional equivalent of a diary or journal.

(8) Personnel files of public employees and files of applicants for public employment, except for:

(A) the name, compensation, job title, business address, business telephone number, job description, education and training background, previous work experience, or dates of first and last employment of present or former officers or employees of the agency;

(B) information relating to the status of any formal charges against the employee; and

(C) information concerning disciplinary actions in which final action has been taken and that resulted in the employee being disciplined or discharged.

However, all personnel file information shall be made available to the affected employee or his representative. This subdivision does not apply to disclosure of personnel information generally on all employees or for groups of employees without the request being particularized by employee name.

(9) Minutes or records of hospital medical staff meetings.

(10) Administrative or technical information that would jeopardize a recordkeeping or security system.

(11) Computer programs, computer codes, computer filing systems, and other software that are owned by the public agency or entrusted to it and portions of electronic maps entrusted to a public agency by a utility.

(12) Records specifically prepared for discussion or developed

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during discussion in an executive session under IC 5-14-1.5-6.1. However, this subdivision does not apply to that information required to be available for inspection and copying under subdivision (8).

(13) The work product of the legislative services agency under personnel rules approved by the legislative council.

(14) The work product of individual members and the partisan staffs of the general assembly.

(15) The identity of a donor of a gift made to a public agency if:
 (A) the donor requires nondisclosure of his identity as a condition of making the gift; or
 (B) after the gift is made, the donor or a member of the donor's family requests nondisclosure.

(16) Library or archival records:
 (A) which can be used to identify any library patron; or
 (B) deposited with or acquired by a library upon a condition that the records be disclosed only:
 (i) to qualified researchers;
 (ii) after the passing of a period of years that is specified in the documents under which the deposit or acquisition is made; or
 (iii) after the death of persons specified at the time of the acquisition or deposit.

However, nothing in this subdivision shall limit or affect contracts entered into by the Indiana state library pursuant to IC 4-1-6-8.

(17) The identity of any person who contacts the bureau of motor vehicles concerning the ability of a driver to operate a motor vehicle safely and the medical records and evaluations made by the bureau of motor vehicles staff or members of the driver licensing advisory committee. However, upon written request to the commissioner of the bureau of motor vehicles, the driver must be given copies of the driver's medical records and evaluations that concern the driver.

(18) School safety and security measures, plans, and systems, including emergency preparedness plans developed under 511 IAC 6.1-2-2.5.

(c) Notwithstanding section 3 of this chapter, a public agency is not required to create or provide copies of lists of names and addresses, unless the public agency is required to publish such lists and disseminate them to the public pursuant to statute. However, if a public agency has created a list of names and addresses, it must permit a

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person to inspect and make memoranda abstracts from the lists unless access to the lists is prohibited by law. The following lists of names and addresses may not be disclosed by public agencies to commercial entities for commercial purposes and may not be used by commercial entities for commercial purposes:

- (1) A list of employees of a public agency.
- (2) A list of persons attending conferences or meetings at a state institution of higher education or of persons involved in programs or activities conducted or supervised by the state institution of higher education.
- (3) A list of students who are enrolled in a public school corporation if the governing body of the public school corporation adopts a policy:
 - (A) prohibiting the disclosure of the list to commercial entities for commercial purposes; or
 - (B) specifying the classes or categories of commercial entities to which the list may not be disclosed or by which the list may not be used for commercial purposes.

A policy adopted under subdivision (3) must be uniform and may not discriminate among similarly situated commercial entities.

(d) Nothing contained in subsection (b) shall limit or affect the right of a person to inspect and copy a public record required or directed to be made by any statute or by any rule of a public agency.

(e) Notwithstanding any other law, a public record that is classified as confidential, other than a record concerning an adoption, shall be made available for inspection and copying seventy-five (75) years after the creation of that record.

(f) Notwithstanding subsection (e) and section 7 of this chapter:

- (1) public records subject to IC 5-15 may be destroyed only in accordance with record retention schedules under IC 5-15; or
- (2) public records not subject to IC 5-15 may be destroyed in the ordinary course of business."

Page 48, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 69. IC 34-24-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. **(a)** If a person suffers a pecuniary loss as a result of a violation of IC 35-43, IC 35-42-3-3, IC 35-42-3-4, or IC 35-45-9, the person may bring a civil action against the person who caused the loss for the following:

- (1) **Except as provided in subsection (b)**, an amount not to exceed three (3) times the actual damages of the person suffering the loss.
- (2) The costs of the action.



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- (3) A reasonable attorney's fee.
- (4) Actual travel expenses that are not otherwise reimbursed under subdivisions (1) through (3) and are incurred by the person suffering loss to:
 - (A) have the person suffering loss or an employee or agent of that person file papers and attend court proceedings related to the recovery of a judgment under this chapter; or
 - (B) provide witnesses to testify in court proceedings related to the recovery of a judgment under this chapter.
- (5) A reasonable amount to compensate the person suffering loss for time used to:
 - (A) file papers and attend court proceedings related to the recovery of a judgment under this chapter; or
 - (B) travel to and from activities described in clause (A).
- (6) Actual direct and indirect expenses incurred by the person suffering loss to compensate employees and agents for time used to:
 - (A) file papers and attend court proceedings related to the recovery of a judgment under this chapter; or
 - (B) travel to and from activities described in clause (A).
- (7) All other reasonable costs of collection.

(b) The owner of a riverboat licensed under IC 4-33, or the owner's assignee, who suffers a pecuniary loss as the result of a violation of IC 35-43-5-5 is entitled to the actual damages resulting from the violation. In addition, the owner or the owner's assignee is entitled to the amounts described in subsection (a)(2) through (a)(7)."

Renumber all SECTIONS consecutively.

(Reference is to ESB 333 as printed February 22, 2002.)

KUZMAN

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 333 be amended to read as follows:

Page 13, between lines 29 and 30, begin a new paragraph and insert:

"Sec. 18. (a) As used in this section, "net receipts" means a permit holder's adjusted gross receipts, minus any taxes paid under section 11 of this chapter.

(b) Beginning January 1 following the second anniversary of the

ES 333—LS 7107/DI 92+



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date that the sale of pari-mutuel pull tab tickets begins at a location described in this chapter and every year thereafter, the permit holder shall pay the percentage of the permit holder's net receipts set forth in subsection (c) to the commission for purse money and breed development.

(c) Beginning January 1 of the following years of operation, the purse money and breed development fee is equal to the following percentages of the permit holder's net receipts:

Year 3	2%
Year 4	2%
Year 5	4%
Year 6	6%
Year 7	7%
Year 8	8%
Year 9	9%
Year 10 and each year thereafter	10%

(d) The commission shall allocate money received under this section to purses and breed development."

Page 13, line 30, delete "18." and insert "19."

Page 13, line 36, delete "19." and insert "20."

Page 13, line 40, delete "20." and insert "21."

Page 40, line 10, delete "Sixty-five" and insert "Except as provided in subsection (k), sixty-five".

Page 40, line 18, strike "a" and insert "each".

Page 40, line 18, strike "was" and insert "has been".

Page 40, line 19, after "The" insert "Indiana horse racing".

Page 40, line 21, strike "the" and insert "a".

Page 40, line 24, after "schedule." insert "If a permit holder sells pull tabs at a racetrack or satellite facility, the maximum amount that the Indiana horse racing commission may grant for routine operations at the permit holder's racetrack is equal to:

(i) the total amount granted under this section in a calendar year to a racetrack operated by a permit holder under a recognized meeting permit first issued before January 1, 2002; minus

(ii) the total adjusted gross receipts reported by a permit holder under IC 4-31-7.5-11 for the twelve (12) months immediately preceding the date on which the grant is distributed.

(C) To county and 4-H fairs for the maintenance and operation of horse racing facilities.



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The maximum amount paid to the Indiana horse racing commission under this subdivision in a state fiscal year may not exceed twenty-six million dollars (\$26,000,000), minus the amount, if any, paid to the Indiana horse racing commission under IC 4-31-7.5-18."

Page 43, between lines 8 and 9, begin a new paragraph and insert:

"(k) After the Indiana horse racing commission is paid the maximum amount of admissions taxes allowed under subsection (b)(6), the remainder of that part of the admissions tax that is described in subsection (b)(6) shall be paid to the state general fund."

(Reference is to ESB 333 as printed February 22, 2002.)

RESKE

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 333 be amended to read as follows:

Page 47, between lines 31 and 32, begin a new paragraph and insert:

"SECTION 64. IC 4-33-18 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 18. Reimbursement of Health Care Costs

Sec. 1. A licensed owner shall reimburse state and local governments the costs of health care services provided to the licensed owner's riverboat employees and the dependents of the riverboat employees and paid for under:

- (1) Medicaid (IC 12-15);**
- (2) the children's health insurance program (IC 12-17.6);**
- (3) the hospital care for the indigent program (IC 12-16.1); or**
- (4) township poor relief (IC 12-20).**

Sec. 2. The state or local governmental entity paying the costs of the health care services provided to the riverboat employee shall submit a statement of the costs for which the entity seeks reimbursement to the licensed owner within thirty (30) days after paying the costs.

Sec. 3. If the licensed owner fails to pay the amount due on the statement described in section 2 of this chapter within thirty (30) days after the licensed owner's receipt of the statement, interest shall accrue on the amount due at the rate of eight percent (8%)

ES 333—LS 7107/DI 92+



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Sec. 4. A licensed owner is relieved of the duty to reimburse a state or local governmental entity of the costs described in section 1 of this chapter if the licensed owner demonstrates to the satisfaction of the governmental entity that the licensed owner has made health insurance available to the riverboat employee and the riverboat employee's dependents at a total cost, including premiums, deductibles, and copayments, to the riverboat employee of less than three percent (3%) of the riverboat employee's gross income.

Sec. 5. A licensed owner may not retaliate or discriminate against a riverboat employee that seeks or receives health care services that incur costs that may be reimbursed under this chapter.

Sec. 6. If a riverboat employee is the object of an act of retaliation or discrimination by the licensed owner that is prohibited by section 5 of this chapter, the riverboat employee shall have a right of action against the licensed owner for compensatory and punitive damages. A riverboat employee is entitled to recover reasonable attorney's fees if the employee obtains a judgment against the licensed owner under this section."

Renumber all SECTIONS consecutively.

(Reference is to ESB 333 as printed February 22, 2002.)

CHENEY

HOUSE MOTION

Mr. Speaker: I move that Senate Bill 333 be amended to read as follows:

Page 40, line 10, delete "Sixty-five" and insert "**Except as provided in subsections (k) through (m),** sixty-five".

Page 43, between lines 8 and 9, begin a new paragraph and insert: "**(k) For riverboat admissions taxes collected after December 31, 2002, and before January 1, 2004, the amount paid to the Indiana horse racing commission under subsection (b)(6) must be reduced by the following amounts:**

- (1) One million dollars (\$1,000,000) that must be paid to the Indiana School for the Blind.
- (2) One million dollars (\$1,000,000) that must be paid to the Indiana School for the Deaf.

ES 333—LS 7107/DI 92+



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(3) The remainder of admissions taxes described in subsection (b)(6), multiplied by one-third (1/3). The amount determined under this subdivision must be paid to the state general fund.

(l) For riverboat admissions taxes collected after December 31, 2003, and before January 1, 2005, the amount paid to the Indiana horse racing commission under subsection (b)(6) must be reduced by the following amounts:

(1) Two million dollars (\$2,000,000) that must be paid to the Indiana School for the Blind.

(2) Two million dollars (\$2,000,000) that must be paid to the Indiana School for the Deaf.

(3) The remainder of admissions taxes described in subsection (b)(6), multiplied by two-thirds (2/3). The amount determined under this subdivision must be paid to the state general fund.

(m) For riverboat admissions taxes collected after December 31, 2004, the amount described in subsection (b)(6) must be paid as follows instead of to the Indiana horse racing commission:

(1) Three million dollars (\$3,000,000) that must be paid to the Indiana School for the Blind.

(2) Three million dollars (\$3,000,000) that must be paid to the Indiana School for the Deaf.

(3) The remainder to the state general fund."

(Reference is to ESB 333 as printed February 22, 2002.)

ATTERHOLT

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 333 be amended to read as follows:

Page 6, between lines 29 and 30, begin a new paragraph and insert:

"SECTION 9. IC 4-31-4-4 ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 4. (a) This section applies to the following:**

(1) A permit holder who satisfies all of the following:

(A) The permit holder was issued a satellite facility license before January 2, 1996.

(B) The permit holder operated a satellite facility located in a county having a consolidated city before January 2, 1996.

(C) The permit holder is currently operating the satellite

ES 333—LS 7107/DI 92+



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facility under the license.

(D) The permit holder operates a racetrack in a county having a population of more than one hundred thirty thousand (130,000) but less than one hundred forty-five thousand (145,000).

(2) A permit holder who satisfies both of the following:

(A) The permit holder was issued a permit before January 2, 2002 to operate a racetrack in a county having a population of more than forty-three thousand (43,000) but less than forty-five thousand (45,000).

(B) The permit holder has filed an application to operate a satellite facility in a county having a consolidated city.

(b) Notwithstanding any other provision of this article, the Indiana gaming commission may not authorize the permit holder to offer pari-mutuel pull tab games at the permit holder's:

(1) satellite facility located in the county described in subsection (a); or

(2) racetrack;

unless the voters of the county in which the satellite facility or racetrack is located approve pari-mutuel pull tab games in the county.

(c) For a local public question required to be held under subsection (b), the county election board shall place the following question on the ballot in the county during the next general election:

"Shall pari-mutuel pull tab games be allowed in _____ County?"

(d) A public question under this section must be certified in accordance with IC 3-10-9-3 and shall be placed on the ballot in accordance with IC 3-10-9.

(e) The circuit court clerk of a county holding an election under this chapter shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

(f) If a public question is placed on the ballot under subsection (c) in a county and the voters of the county do not vote in favor of the public question, a second public question under that subsection may not be held in the county for at least two (2) years. If the voters of the county vote to reject the public question a second time, a third or subsequent public question under that subsection may not be held in the county until the general election held during the tenth year following the year of the previous public question held under that subsection."



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Renumber all SECTIONS consecutively.

(Reference is to ESB 333 as printed February 22, 2002.)

TURNER

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 333 be amended to read as follows:

Page 40, line 30, after "have" delete "a" and insert **"any of the following:**

(A)A".

Page 40, between lines 31 and 32, begin a new line double block indented and insert:

"(B) A pari-mutuel horse racing track licensed under IC 4-31.

(C) A satellite facility offering pari-mutuel pull tabs under IC 4-31-7.5."

Page 43, line 4, delete "a riverboat licensed under this article. The treasurer of" and insert **"any of the following:**

(1) A riverboat licensed under this article.

(2) A pari-mutuel horse racing track licensed under IC 4-31.

(3) A satellite facility offering pari-mutuel pull tabs under IC 4-31-7.5.

The treasurer of state shall make the payments to each county described in this subsection according to the ratio the population of each county bears to the total population of the counties described in this subsection."

Page 43, delete lines 5 through 8.

(Reference is to ESB 333 as printed February 22, 2002.)

WHETSTONE

HOUSE MOTION

Mr. Speaker: I move that Senate Bill 333 be amended to read as follows:

Page 48, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 4. IC 35-45-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. (a) Except as

ES 333—LS 7107/DI 92+



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provided in subsection (b), a person who:

- (1) knowingly or intentionally owns, manufactures, possesses, buys, sells, rents, leases, repairs, or transports a gambling device, or offers or solicits an interest in a gambling device;
- (2) before a race, game, contest, or event on which gambling may be conducted, knowingly or intentionally transmits or receives gambling information by any means, or knowingly or intentionally installs or maintains equipment for the transmission or receipt of gambling information; or
- (3) having control over the use of a place, knowingly or intentionally permits another person to use the place for professional gambling;

commits promoting professional gambling, a Class D felony.

(b) Subsection (a)(1) does not apply to a boat manufacturer who:

- (1) transports or possesses a gambling device solely for the purpose of installing that device in a boat that is to be sold and transported to a buyer; and
- (2) does not display the gambling device to the general public or make the device available for use in Indiana.

(c) When a public utility is notified by a law enforcement agency acting within its jurisdiction that any service, facility, or equipment furnished by it is being used or will be used to violate this section, it shall discontinue or refuse to furnish that service, facility, or equipment, and no damages, penalty, or forfeiture, civil or criminal, may be found against a public utility for an act done in compliance with such a notice. This subsection does not prejudice the right of a person affected by it to secure an appropriate determination, as otherwise provided by law, that the service, facility, or equipment should not be discontinued or refused, or should be restored.

(d) Subsection (a)(1) does not apply to a person who:

- (1) possesses an antique slot machine;**
- (2) restricts display and use of the antique slot machine to the person's private residence; and**
- (3) does not use the antique slot machine for profit.**

(e) As used in this section, "antique slot machine" refers to a slot machine that is:

- (1) at least forty (40) years old; and**
- (2) possessed and used for decorative, historic, or nostalgic purposes."**

Renumber all SECTIONS consecutively.

(Reference is to SB 333 as printed February 22, 2002.)

TORR

